



Daily Report

East Asia

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Daily Report

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CONTENTS

13 April 1994

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-ASIAN AFFAIRS

DPRK Arms Reportedly Used Against Khmer Rouge [KYODO]	1
'Social Clause' in GATT Agreement Disputed [THE NATION 8 Apr]	1
East ASEAN Growth Area Air Service System [BUSINESS WORLD 4 Apr]	2
Malaysian Reservations on Regional Navy Viewed [THE STRAITS TIMES 8 Apr]	3

NORTHEAST ASIA

Japan

Tokyo Counters U.S. Claims on Trade Barriers [KYODO]	4
Quarantine Experts To Check U.S. Apple Diseases [KYODO]	5
BOJ Appoints Harada To Top Post in U.S. [KYODO]	5
Group Suspects Yokosuka Nuclear Submarine Repair [KYODO]	5
Blix Urges Completion of DPRK Inspections [KYODO]	5
Ozawa Urges Coalition Unity on DPRK Issue [KYODO]	6
Hosokawa Meets With Chinese Radio-TV Minister [Tokyo TV]	6
Singapore Given Developing Nation Tax Privilege [KYODO]	6
Hata Holds Talks With Danish Foreign Minister [KYODO]	6
Firms Quit European Microwave Oven Market [KYODO]	7
Tokyo Urges UN To Drop Charter 'Enemy Clause' [KYODO]	7
Tokyo To Send Election Observers to El Salvador [KYODO]	7
OECD Signs Loan Agreement to Peru [KYODO]	8
Bank Plans To Extend Untied Loans to Peru [KYODO]	8
Bank Extends \$200 Million Loan to Mexico [KYODO]	8
Poaching Off Latin America 'Most Serious Case' [KYODO]	8
Tokyo Offers Medicine to Six CIS Republics [KYODO]	8
Local Governments' Aid Aimed Mainly at Asia [KYODO]	8
More Reports on Aftermath of Hosokawa Resignation	9
Hiraiwa on Reformist Government [KYODO]	9
Hata on 'Framework' of Coalition [KYODO]	9
Saigake To Remain in Coalition [KYODO]	10
Efforts To Form New Government [KYODO]	10
Former Publisher: Hosokawa Lied [KYODO]	11
Businessmen: Situation 'Slacky' [KYODO]	11
Diplomatic Schedule Affected [KYODO]	11
Mubarak Reportedly Cancels Visit [KYODO]	12
Discussion on Hosokawa's Successor Continues	12
Ouchi: Hata Probable Successor [KYODO]	12
Disaffection With Moves for Hata [KYODO]	12
Hata's Chances 'Almost Certain' [KYODO]	12
Watanabe Steps Up Campaign [KYODO]	13
Yamanashi Firm Ordered To Stop Unfair Trade [KYODO]	14
Earnings From Rice Imports Top 210 Billion Yen [KYODO]	14
Nakamura Seeks Bail for Diet Vote Participation [KYODO]	14
Tokyo Court Rejects Request Again [KYODO]	15
Punishing Stations Over Election Reports Studied [KYODO]	15
Panel Begins Work on New Electoral Districts [KYODO]	15
Incumbent Wins Kyoto Gubernatorial Race [KYODO]	15
Kato: Panel Mostly for 'Shifting' Tax Burden [KYODO]	16
Finance Official: Full Tax Reform To Proceed [KYODO]	16

MITI Gives Warning to Kashima Oil Over Losses	[KYODO]	16
Decontrol of Commercial Paper Issues by Insurers	[KYODO]	17
Prices of Many Domestic Goods Said Unchanged	[KYODO]	17
Finance, Posts Ministries Agree on Deposit Rates	[KYODO]	17

North Korea

IAEA's Blix Sets Deadline on Inspections	[Tokyo TV]	17
African Party Leaders Voice Support on 'Struggle'	[KCNA]	18
Koreans in Canada Denounce U.S. Actions	[KCNA]	18
Daily Claims Double Standard on Nuclear Issue	[KCNA]	18
U.S. Deployment of 'Warplanes' to ROK Reported	[KCNA]	19
Japan's 'Criminal Past' Reiterated	[KCNA]	19
'White Paper' Condemns Japan Nuclear Armament	[Pyongyang Radio]	20
N-S Envoy Exchange, Inspections Separate Issues	[KYODO]	25
Reunification Meeting Drafts Letter to South		26
South Response Condemned	[Pyongyang Radio]	26
National Conference Proposed	[KCNA]	26
Radio Broadcasts Letter	[Pyongyang Radio]	26
WPK Officials, Ghanaian Delegation Hold Talks	[KCNA]	28
Construction Projects Reported Complete	[KCNA]	28
Speeches at New Deihi Chuche Seminar Reported	[KCNA]	28
Former Foreign Government Leaders Begin Visit	[KCNA]	29
SPA Committee Fetes Former Foreign Leaders	[KCNA]	30
Cambodian Embassy Officials Visit Mangyongdae	[KCNA]	30
Military Attaches Visit Mangyongdae	[KCNA]	30
'Reverence' for Kim Il-song Reported in South	[KCNA]	31
Kim Chong-il's Military Leadership Praised	[Pyongyang Radio]	31
ROK People's 'Pride' in Kim Chong-il Reported	[KCNA]	33

South Korea

IAEA Chief Cited on Need To Inspect DPRK	[Seoul Radio]	34
Seoul Suggests IAEA Make Offer to DPRK	[YONHAP]	34
DPRK: 'Sea of Fire' Remarks Distorted by South	[Seoul Radio]	35
DPRK Official Cited on Reunifying Peacefully	[YONHAP]	35
Dilemma Faced on DPRK Logger Escapees	[YONHAP]	35
President Orders Study on DPRK Loggers Issue	[YONHAP]	36
Meeting Scheduled for 15 Apr	[YONHAP]	36
Seoul, PRC Discuss Camp for DPRK Escapees	[SEOUL SINMUN 13 April]	37
DPRK Reportedly Pursues Southeast Asia Markets	[SEOUL SINMUN 13 Apr]	37
Kim Il-song Reportedly Asked Suharto To Mediate	[YONHAP]	37
PRC's Wu Xueqian Meets Press on DPRK Issue	[YONHAP]	37
Trade Minister's Talks With Kantor Detailed	[YONHAP]	38
Agriculture Cooperation Accord Signed With PRC	[YONHAP]	38
Official on Russian Loan Problem's Solution	[YONHAP]	38
Seoul, Moscow Agree on Fishing Prices	[YONHAP]	39
Tokyo, Seoul Begin Civil Aviation Talks	[KYODO]	39
Bilateral Construction Agreement With SRV	[YONHAP]	39
Investment Guarantee Talks With Hong Kong Open	[YONHAP]	39
Seoul, Malaysia Study Construction Cooperation	[YONHAP]	39
Customs Bureau Reports Growing Trade Deficit	[YONHAP]	40
Businesses Search for Technology Experts Abroad	[YONHAP]	40
Measures To Produce Specialized Personnel Noted	[YONHAP]	40
Floor Leaders To Study Defense Irregularities	[YONHAP]	41
Labor, Management Urged To Agree on Wage Hike	[YONHAP]	41

SOUTHEAST ASIA

Cambodia

Press Reports Describe Fighting in Pailin	42
Battlefield Report: 11 April [Radio VGNUFC]	42
Battlefield Report: 12 April [Radio VGNUFC]	42
KR Said To Recapture Pailin [BANGKOK POST 13 Apr]	42
Army Attacks Khmer Rouge at Phnom Malai [BANGKOK POST 12 Apr]	42

Indonesia

Government Opposes Tying Trade With Labor Issue [THE JAKARTA POST 8 Apr]	43
Finance Minister Rules Out Devaluation Policy [THE JAKARTA POST 5 Apr]	43

Philippines

Malaysian UNMO Youth Official Urges Close Ties [Kuala Lumpur Radio]	44
Romulo on Dispute With Malaysia Over Maids [Quezon City Radio]	44
Cabinet Approves 10 Infrastructure Projects [Quezon City Radio]	44
MNLF Jakarta Peace Talks Postponed [Quezon City Radio]	43

Thailand

Wimon Urges Diplomatic Dialogue With Cambodians [BANGKOK POST 12 Apr]	45
NSC Secretary on Closure of Cambodian Border [BANGKOK POST 13 Apr]	45
Bangkok Used as Illegal Entry to Japan [THE NATION 13 Apr]	46

Vietnam

U.S. MIA Specialists Examine Several Remains [VNA]	47
More Reports on Summit Meeting With Australia	48
Do Muoi Meets Keating [VNA]	48
Keating Leaves for Ho Chi Minh City [Hanoi International]	48
Keating Invitation for Do Muoi Chided [Melbourne International]	48
Hanoi Condemns Killing of Israelis in Afula [Hanoi Radio]	49
Assembly Chairman Receives PRC Deputies [VNA]	49
No-Double-Taxation Agreement Signed With UK [VNA]	49
International Trade Fair '94 Reviewed [Hanoi Radio]	49
Government Reports First Quarter Trade Figures [VNA]	50
Reportage on Massacre of Vietnamese in Cambodia	50
Officials Meet With Cambodian Envoy [Hanoi Radio]	50
Hanoi Condemns Massacre [Hanoi International]	50
Labor Minister, Delegation Hold Talks in Laos [VNA]	51
Tran Duc Luong Pays 'Working Visit' to Phu Quoc [Hanoi Radio]	51
Youths To Perform Military Service Locally [QUAN DOI NHAN DAN 18 Mar]	51
Hanoi Radio Raises Corruption Issues	52
Army Tries To Fight Corruption	52
Anticorruption Efforts in Ho Chi Minh City	53
Do Muoi Attends Khanh Hoa Provincial Party Congress [VNA]	53
National Assembly Delegates Visit Haiphong, Islands [VNA]	54
Strategy of 'Peaceful Evolution' Analyzed [QUAN DOI NHAN DAN 21 Mar]	54
Reports on Midterm Party Conferences Continue	55
Held by Central Ideological Agencies [Hanoi Radio]	55
Held by Quang Nam-Danang Province Party [Hanoi Radio]	56
Held by Haiphong City Party [Hanoi Radio]	56

AUSTRALASIA

Australia

Evans Calls Khmer Rouge 'Diminishing Force' [Melbourne International]	58
Jobless Rate Reported Lowest Since 1991 [Melbourne International]	58
U.S. Admiral Notes 'Improving' Relations [Melbourne International]	58

Marshall Islands

President Kabua Reshuffles Cabinet [AFP]	58
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New Zealand

Bolger Reaffirms Nuclear Ship Ban [AFP]	59
Officer's Diary Provides Evidence of Espionage [AFP]	59

DPRK Arms Reportedly Used Against Khmer Rouge

*OW1004094294 Tokyo KYODO in English 0849 GMT
10 Apr 94*

[Text] Tokyo, April 10 KYODO—Cambodian Government forces were able to seize the Khmer Rouge stronghold of Pailin in late March because of an arms supply by North Korea, the SANKEI SHIMBUN said Sunday [10 April].

Pyongyang provided Cambodian Government forces with six armored personnel carriers and tons of weapons, including shells for howitzers, ammunition, mortars and small weapons as a grant. The vehicles and weaponry were flown to Cambodia from mid-February, the daily said, quoting a military source close to the forces.

With North Korea's military assistance, the government forces started in mid-March to intensify attacks on the guerrilla group's biggest stronghold in western Cambodia near the Thai border and brought it under their control on March 21, the SANKEI said.

Pyongyang also pledged to offer additional tons of ammunition by early April, it said.

The source was quoted as saying that the government forces could not have subdued Pailin without the supply of ammunition and the forces will not be able to maintain their control without additional military help.

Cambodia maintains friendly relations with North Korea, largely owing to North Korean leader Kim Il-sung's long-standing support for King Norodom Sihanouk.

'Social Clause' in GATT Agreement Disputed

*BK0804051994 Bangkok THE NATION in English 8
Apr 94 p A8*

[Report by the Regional Desk: "Battle lines drawn in Marrakech"]

[Text] Asean states are gearing up for an 11th hour showdown with the United States and Europe over Western efforts to introduce a "social clause" into the Gatt trading pact which will be signed in the southern Moroccan city of Marrakech next Friday.

Alarm over the clause, which would link trade and labour standards, reflects deep suspicions by nearly all developing countries that the West is seeking to levy additional duties on the exports of countries which enjoy cheap labour advantages when the new World Trading Organization (WTO) takes over from Gatt to police global commerce.

Many Asean officials fear that such a link would turn out to be a disguised form of protection against imports from economies with lower labour costs. Asia-Pacific nations,

whose economic growth has been powered by their low-cost exports, are particularly concerned and have vowed to fight the link.

At last week's 50th annual session of the Economic and Social Commission for Asia and the Pacific (Escap), executive secretary general Rafiuddin Ahmad led a chorus of denunciations about attempts by "countries which might impose neo-protectionism."

In a national speech on March 21, Indonesia's President Suharto criticized unspecified world powers which sought to impose their own views of human and labour rights as a condition for economic cooperation.

He said that industrial nations were pushing developing countries on such issues as raising the minimum wage because of their troubled economies and declining competitiveness.

"No country has the right to dictate their own concepts or views to another country... Let alone to force their will as a condition for international economic cooperation," he said.

Speaking at last week's Pacific Economic Cooperation Council (PECC) conference, Thai Deputy Prime Minister Suphachai Phanitchaphak acknowledged that the US efforts to include a social clause in a global trade treaty were not new and go back to 1987. But he cautioned that "The proposal could lead to market impediments for goods from less-developed countries."

At the same forum Malaysian Prime Minister Mahathir Mohamed charged that the West was trying to weaken developing nations by imposing minimum wages.

Manila also declared it would resist attempts by the United States to insert a social clause in any trade agreement, particularly on issues affecting workers' rights.

Antonio Buencamino, director of the Philippine Bureau of International Trade Relations, said "the Philippines opposes any attempt to include social clauses or workers' rights in trade talks."

"Our labour is cheap, but that does not mean it is exploited," Buencamino said, noting that workers in the export industry often earned much more than the mandated minimum wage.

Despite the uproar in Asia, chief US trade negotiator John Schmidt, declared before leaving for Morocco that Washington would not accept the Marrakech declaration or documents related to the WTO preparatory committee "without some language" on labour rights.

In a bid to quell the row before it erupts into a damaging North-South split, Gatt chief Peter Sutherland called a meeting of trade envoys yesterday to seek a compromise.

Observers said much would depend on how hard the United States presses the issue.

The United States wants a ministerial declaration in Marrakech to accept that the WTO would deal with the link between trade and labour. Developing countries have refused to consider any reference to the issue in the declaration.

Washington, is expected to get its strongest backing from France which has been pressing the European Union to enact regulations against "social dumping"—selling goods produced with cheap labour under poor working conditions.

US and French officials argue that the WTO, which will be a more powerful watchdog than Gatt, should enforce a connection between trade and labour conditions.

France wants the body to apply standards that will prevent countries from exploiting children, prisoners and bonded workers as a way of gaining trade advantages.

Gatt officials are further worried that the introduction of the controversial social dimension would divert attention from work that needs to be done to ensure that measures to liberalize world trade contained in the Uruguay accords are sealed and actually applied.

Washington, however, argues that it accepts the existence of a "natural comparative advantage", including wage rate differentials, linked to a country's degree of development.

The United States submitted at the beginning of the Uruguay Round in 1987 a paper listing a set of five internationally recognized standards it saw as trade-related.

The five points were freedom of association for workers, freedom to organize and bargain collectively, freedom from forced or compulsory labour, a minimum age for employment of children, and "minimum standard" for working conditions, including occupational health and safety hazards.

Many members of the Organization for Economic Cooperation and Development (OECD), including Switzerland and the Nordic countries, concede that these problems will, sooner or later, have to be faced.

But most feel it would be more timely to raise such issues when the WTO preparatory committee gets down to work. Any member would then be free to take up any topic.

Officials said the European Union was proposing a wording stressing that the committee was free to tackle "new issues", without any specific reference to labour rights.

More than 120 countries are to gather in Marrakech for the signing of the new pact, which will encompass for the first time services, intellectual property, agriculture and textiles.

The scale of the agreement, which once fully operative, will bring an estimated additional worldwide growth of between \$230 billion and \$270 billion over a decade, helped build a momentum that brought together Gatt members after seven years of marathon negotiations.

This same pressure makes most observers confident an agreement will be signed. Gatt officials, quoted in Marrakech, said that while they were worried that the row triggered by the United States might "spoil the atmosphere" of the meeting, they were confident it would not sink the Uruguay Round.

East ASEAN Growth Area Air Service System

BK0804062394 Manila BUSINESS WORLD in English
4 Apr 94 p 22

[By Larina G. Perez]

[Text] Officials who met to discuss an economic growth plan for the Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), have agreed to establish an air service system that will promote, develop, and enhance trade and investments in the area.

As a step closer toward the realization of a common air service system within the area, the officials have agreed that Brunei will become the focal point of air linkages in the region.

"Because of Brunei's strategic location (it is practically smack at the middle of the growth area), it will be positioning as the focal gateway to the EAGA (East ASEAN Growth Area, now known as BIMP-EAGA)," Department of Tourism (DoT) Undersecretary Ramona Lopez-Ty said.

Ms. Ty, who was with the Philippine delegation when the ministers of the BIMP-EAGA met in Davao last Saturday, said: "Royal Brunei has offered to take the initiative to add to the frequencies. With their wealth and economic resources, it will not be too difficult for them to expand their (air service) capacities."

She reported that Brunei's national carrier, Royal Brunei, had already bought two 50-seater Fokker planes primarily for the purpose of servicing the area.

Apart from the existing bilateral air agreements between the BIMP-EAGA member countries, officials are still working for more air linkages, Ms. Ty said.

Increased Access

She, however, qualified: "We're not talking of open skies here. There are certain rights that our national carriers have that you just don't give away. We're talking of increased accessibility."

Ms. Ty reports that the idea of establishing a regional airline jointly owned by the four countries has been

shelved. Instead, they are more inclined toward establishing "common operations and increasing air links and capacity."

Malaysian Reservations on Regional Navy Viewed
BK0904104994 Singapore THE STRAITS TIMES in English 8 Apr 94 p 34

[Text] Malaysia remains cool to the idea of creating a multinational naval force involving ASEAN countries and the United States to maintain security in the region.

Nor is it keen to expand military cooperation beyond the Five Power Defence Arrangements (FPDA), which obliges the United Kingdom, Australia, New Zealand, Singapore and Malaysia to "consult" each other in the event of an external threat.

This was apparent from the remarks of Malaysia's Chief of Navy, Vice-Admiral Datuk Mohamed Shariff Ishak, when he spoke at a maritime security forum in Kuala Lumpur on Tuesday.

"We welcome multilateral cooperation," he said in response to a question at the forum organised by the Malaysian Institute of Maritime Authority. "The only snag preventing the Royal Malaysian Navy from expanding cooperation with neighbouring countries is the lack of assets."

"We've confined cooperation to ASEAN and the FPDA. Others would like to play games with us, but we lack the assets to do this."

To defence planners who are proposing closer military cooperation between ASEAN and its allies and the creation of a multinational naval force to police the region, Datuk Shariff was being polite.

While Malaysia may not have the military hardware to engage in large-scale naval exercises, this is hardly the main reason for its lack of enthusiasm to expand existing regional security alliances.

Datuk Shariff's response could be a reflection of the residual mistrust and rivalries in the region, despite the willingness among ASEAN states to discuss mutual security concerns in recent years.

Many of the problems which inhibit wider military cooperation are rooted in ideological outlook or history, if they do not stem from disputes over territory.

Indonesia, for example, is unhappy that Malaysia is fortifying its rival claim on Sipadan island, off the Sabah coast, by developing it as a tourist resort despite Jakarta's strenuous objections.

Both the Philippines and Malaysia have claims in the potentially mineral-rich Spratlys, and there is the dormant Philippine claim over Sabah.

Recently, some Malaysian defence officials criticised Thailand's naval build-up particularly its acquisition of a helicopter carrier, as a move to bolster its offensive capabilities.

While these bilateral problems per se will not lead to armed confrontation between ASEAN states, they inhibit military cooperation on a wider scale. Thus defence planners who envisage ASEAN as the nucleus of a regional naval force allied to the US to keep peace and security in South-east Asia are ahead of the times.

So, too, is the idea of expanding the FPDA to include Indonesia and the US to keep the vital Malacca Straits open. In a paper on small navies in the Asia-Pacific, American defence analyst Joseph Morgan suggested that Malaysia, Singapore and Indonesia could use their small navies to patrol the straits in conjunction with the US Seventh Fleet.

On paper, such an arrangement certainly looks reasonable in terms of bolstering the region's security. It also fits well with the US, which may be forced to draw down drastically its forces in the Pacific if its budget deficit worsens.

However, the American concept of cooperative engagement with its ASEAN allies can only remain on the drawing board, for now at least, given Malaysia's stand.

And in the absence of an immediate threat to rally the ASEAN countries, there is no urgency to create such a multinational naval force.

For Malaysia, pursuing the ideal of a Zone of Peace, Freedom and Neutrality (Zopfan) means essentially keeping the big powers out of the region.

Prime Minister Mahathir Mohamed has said there is no need for the US Seventh Fleet to patrol the region.

"We don't believe in security set-ups ... The era of colonisation is over," he told reporters last month.

"The presence of American military might in the US is sufficient to persuade people not to be aggressive, just like we want the military of China to remain in China and the Japanese military to remain in Japan."

Given this attitude and the different perceptions on security threats, it is sensible for the ASEAN Regional Forum to avoid discussion on contentious issues in its first substantive meeting in Bangkok in July.

It is critical that the fledgling 18-member forum, created by ASEAN last year to discuss regional security issues with its key dialogue partners, starts off on a right footing to build up mutual confidence.

It could begin with more consultations among forum members to ensure transparency and coordinated moves to deal with piracy in Southeast Asian waters.

By making haste slowly, the Bangkok conference could be the first step on the long road to a new regional security alliance.

Japan

Tokyo Counters U.S. Claims on Trade Barriers

OW1304114994 Tokyo KYODO in English 1134 GMT
13 Apr 94

[Text] Tokyo, April 13 KYODO—The Japanese Government has presented to the United States a set of comments to counter the latest U.S. report that found Japan guilty of unfair trade practices in many industrial sectors, a senior Foreign Ministry official said Wednesday [13 April].

"The (U.S.) report contains certain assertions which the U.S. has already withdrawn during the framework negotiations, including its claim that Japan's market has low level of penetration by foreign goods and services compared to the Group of Seven average," said the document that lists the comments, which was obtained by KYODO NEWS SERVICE.

The comments were prepared by the Foreign Ministry and submitted to the U.S. Embassy in Tokyo on Tuesday, said the ministry official, who declined to be named.

The office of the U.S. Trade Representative (USTR) released the 1994 National Trade Estimate on Foreign Trade Barriers at the end of March, a hit list that devoted 44 pages of its 281-page report to cite what it views as Tokyo's unfair trade practices, covering 43 areas in seven industrial sectors.

The latest Japanese comments are designed to demonstrate that "Tokyo is doing what it should do" in order to further open its markets, another official at the Foreign Ministry said.

In the comments, Japan argued that "the reliability" of the statistics used in the USTR report for asserting Japan's market is closed must be examined in thorough discussions, along with "justification of the definition of competitiveness."

"Without such justification and appropriateness attached, this kind of U.S. approach in the report is too simplistic and will not be acceptable," the comments said.

The comments answered U.S. claims on Japan's 11 industrial sectors, including three priority areas covered under the Japan-U.S. trade "framework" talks—insurance, autos and auto parts, and government procurement of medical equipment and telecommunications.

In the comments, Japan dismissed Washington's perception of past foreign entry into Japanese markets, saying, "it should be also recognized that the past Japan-U.S. arrangements have met with 'tangible results'."

Specifically, Tokyo termed as "faulty" statistics used by the U.S. in gauging the Japanese Government's procurement of foreign-made computers.

Because of Japan's market-opening efforts, a "steady increase" has been recorded in the share of foreign computers in government procurement, from 8.8 percent in fiscal 1991 to 18.9 percent in fiscal 1992, including that of the central government entities, which expanded from 4.7 percent to 11.7 percent, the document said.

On government procurement of telecommunications equipment, the document said the U.S. assertion that the Japanese market is closed in terms of the G-7 average is erroneous.

Excluding equipment purchases made by the private sector, which was what the USTR counted in the latest report, the foreign share is much higher at 0.6 percent in 1991 in the Japanese market than the 0.07 percent in the U.S., the document said.

Measures to improve Japan's government procurement procedures for the telecom sector as called for by Washington in the USTR report are all covered by Tokyo's market-opening package unveiled at the end of March, the document said.

The document also blasted the U.S. view of Japan's efforts to open its insurance market. The March market-opening package responded to the majority of the insurance issues raised by Washington, it said.

Moreover, the document described insurance regulations in the U.S. as being "by far stricter" than those in Japan. It explained that the U.S. system, regulated on a state-by-state basis, "puts heavy burdens on foreign insurance providers by requiring enormous time and cost for obtaining licenses."

In addition, U.S. branches of foreign insurance providers are discriminated against vis-a-vis domestic insurance providers by the imposition of financial requirements in such areas as trusted assets, the document said. "Such discriminatory treatment does not exist in Japan," it said.

This year's USTR report takes on a significant meaning for Japan's trade ties with Washington because issues dealt with in the report could possibly be subjected to retaliatory tariffs under the recently revived U.S. trade provision known as Super 301.

Under the provision, Washington will identify foreign trade barriers using the USTR findings. The U.S. would then have until Sept. 30 to pinpoint priority countries it says are engaged in unfair trading.

Quarantine Experts To Check U.S. Apple Diseases

*OW1204140794 Tokyo KYODO in English 1311 GMT
12 Apr 94*

[Text] Tokyo, April 12 KYODO—A group of Japanese agricultural experts will visit Washington State from Sunday to assess the U.S. quarantine system for prevention of fire blight on apples, Farm Ministry officials said Tuesday [12 April].

The dispatch of the team by the Ministry of Agriculture, Forestry and Fisheries stems from a Japan-U.S. row on the lifting of an import ban on U.S. apples by Japan.

The United States has agreed to Japan's demands for biannual on-site inspections for disease by Japanese experts.

Subject to the inspections, the import ban on U.S. apples is expected to be lifted around October at the earliest, the officials said.

BOJ Appoints Harada To Top Post in U.S.

*OW1104034394 Tokyo KYODO in English 0301 GMT
11 Apr 94*

[Text] Tokyo, April 11 KYODO—The Bank of Japan (BOJ) appointed Yasuhiro Harada on Monday [11 April] as general manager in the Americas, the bank's top post in the United States, BOJ officials said.

Harada, 48, replaces Masahiro Sugita, who will move to the personnel department, the officials said.

Harada previously served as deputy director of the international department. He joined the central bank in 1968.

Group Suspects Yokosuka Nuclear Submarine Repair

*OW1104094494 Tokyo KYODO in English 0848 GMT
11 Apr 94*

[Text] Yokosuka, Kanagawa Pref., April 11 KYODO—The reactors of two U.S. nuclear-powered attack submarines may have had repair work done in Japan in January in spite of a bilateral agreement ruling out such activities, an anti-U.S. base citizens group said Monday [11 April].

The Holland, a 10,500-ton U.S. tender for nuclear-powered submarines, called at the U.S. Yokosuka Naval Base in Yokosuka, Kanagawa Prefecture, for about a month from January 11, according to the citizens group, the National Environmental Policy Act (NEPA) coalition of Japan.

During the period, two U.S. nuclear-powered attack submarines—the Tunny and the New York City—also stopped at the base, group members said.

The group said base employees witnessed in mid-January several repair engineers from the Holland enter into reactor and weapons zones within the submarines. The zones are off-limits to Japanese.

The group members said the tender and the submarines stopped at the base at the same time apparently because the war ships' reactors needed repairs. The Holland was designed to provide repair and supply services for submarines.

A memorandum between Japan and the U.S. stipulates that power equipment of U.S. submarines will not be repaired in Japan.

A U.S. Navy commander in Japan said that the Holland conducted "a routine port visit in conjunction with her current deployment to the western Pacific."

Yokosuka city officials said that based on the Japan-U.S. memorandum it does not believe nuclear-related repair work was done.

Shoji Shimizu, leader of the NEPA coalition, said the port call by the Holland may indicate future plans to have U.S. submarines repaired in Yokosuka.

Blix Urges Completion of DPRK Inspections

*OW1304065594 Tokyo KYODO in English 0647 GMT
13 Apr 94*

[Text] Hiroshima, April 13 KYODO—The head of the UN nuclear monitoring agency, Hans Blix, on Wednesday urged the early completion of nuclear safeguards inspections in North Korea that a team of inspectors was prevented from concluding last month.

Blix, director general of the Vienna-based International Atomic Energy Agency (IAEA), stressed that it is necessary to check a radio chemical laboratory in the Yongbyon nuclear power complex about 90 kilometers north of Pyongyang and a 5,000-kilowatt experimental reactor to complete the inspections.

Blix is in Hiroshima for the annual meeting of the Japan Atomic Industrial Forum, which this year is focusing on the theme of eliminating nuclear weapons worldwide and promoting the peaceful uses of atomic energy.

IAEA inspectors were allowed in North Korea last month for their first look at North Korean nuclear facilities in more than a year in an effort to determine if radioactive materials had been diverted to military purposes.

Blix told reporters Wednesday that a check of the radio chemical laboratory was necessary to determine if it had been used since February 1993.

Blix also said that North Korea is nearing completion on construction of a second plutonium production line, which could double the North Korean output of the material needed in building an atomic bomb.

Ozawa Urges Coalition Unity on DPRK Issue*OW1304043794 Tokyo KYODO in English 0426 GMT
13 Apr 94*

[Text] Tokyo, April 13 KYODO—Key coalition strategist Ichiro Ozawa urged the ruling coalition partners on Wednesday to reconcile their differences on four key policy fields, including Japan's policy toward the suspected North Korean nuclear arms program.

Ozawa told a news conference that the coalition parties, in launching a new administration, need to narrow their difference over the North Korean nuclear issue, Japan's tax system reform, basic defense and foreign policies, as well as administrative reform combined with deregulation.

Ozawa made the remarks a day after Shinseito head and Foreign Minister Tsutomu Hata emerged as the most probable successor to Prime Minister Morihiro Hosokawa, who announced his resignation last Friday. Ozawa, secretary general of Shinseito, is regarded as the de facto top leader of the party.

Social Democratic Party Secretary General Wataru Kubo is tipped to become chief cabinet secretary under Hata.

Ozawa has been advocating a tougher stand over North Korea's refusal to let international monitors fully inspect its nuclear facilities.

The SDP, the biggest party in the ruling coalition, has called for resolving the North Korean nuclear issue through dialogue, rather than slapping economic sanctions on Pyongyang.

The SDP has maintained friendly ties with North Korea and has sent goodwill delegations of its legislators there in the past.

Hosokawa Meets With Chinese Radio-TV Minister*OW0904133494 Tokyo NHK General Television
Network in Japanese 1052 GMT 6 Apr 94*

[From "News 7" program]

[Text] Visiting Chinese Radio, Film, and Television Minister Ai Zhisheng met with Prime Minister Morihiro Hosokawa today [6 April].

In the meeting, Radio, Film, and Television Minister Ai described recent progress in filming of NHK's special programs on China, and explained an agreement with NHK on filming of Gugong [or Zijincheng], which used to be the national palace of the Ming and Qing dynasties. He noted the Chinese Government takes a positive stance toward cooperation with Japanese television stations' operations in China.

In reply, Prime Minister Hosokawa stressed cultural exchanges are particularly important for further promoting bilateral relations between Japan and China.

Singapore Given Developing Nation Tax Privilege*OW0904085694 Tokyo KYODO in English 0812 GMT
9 Apr 94*

[Text] Singapore, April 9 KYODO—Japan on Saturday [9 April] acceded to Singapore's request to retain until the year 2000 a tax privilege that Japan grants to developing countries, although the island republic is now Southeast Asia's most developed economy.

Under a taxation agreement signed by officials from the two countries here on Saturday, most Japanese companies operating in the island republic will continue to be exempted from taxation on their profits both in Singapore and Japan.

Currently, most Japanese companies here are exempted from paying corporate tax because Singapore has offered tax concessions to attract foreign companies to set up businesses in the country.

These companies also do not pay tax in Japan because Japanese tax authorities view them as having paid tax in Singapore—a privilege Japan normally grants only to developing countries to help them lure much-needed foreign investments to build up their economies.

Japan and Singapore first signed the agreement in January 1971 when Singapore was struggling to reverse its poverty-afflicted status after independence from the British in 1965.

With the island republic now enjoying a per capita income of more than 21,271 Singapore dollars (13,548 U.S. dollars), sources said Japan asked to revise the agreement in the hope of ending the tax privilege earlier. But Japan gave in to Singapore's request to keep the agreement during the negotiations.

The revised agreement—which prevents double taxation and fiscal evasion—was signed by Japan's Ambassador to Singapore Tomoya Kawamura and Koh Yong Guan, Singapore's commissioner of inland revenue.

In a statement issued Saturday, Singapore's inland revenue authority did not elaborate on the tax privilege, referring to it only as "continuation of the existing tax sparing provision for income" until the year 2000.

It also said the new agreement will "further facilitate the cross flow of trade, investment, financial activity and technical know-how between Singapore and Japan."

Hata Holds Talks With Danish Foreign Minister*OW0804134994 Tokyo KYODO in English 1313 GMT
8 Apr 94*

[Text] Tokyo, April 8 KYODO—Denmark's Foreign Minister Niels Petersen on Friday [8 April] indirectly

expressed support for Japan's bid to become a permanent member of the United Nations Security Council, Foreign Ministry officials said.

Petersen agreed with Foreign Minister Tsutomu Hata in a dinner meeting on the need to reorganize the Security Council, the officials said.

Petersen, who arrived in Japan Thursday on a four-day visit, was quoted as saying it is necessary to reorganize the council to "reflect reality."

In talks which covered a wide range of topics, Hata told Petersen Japan is very concerned about North Korea's alleged development of nuclear weapons, the officials said.

Hata and Petersen agreed it is necessary to seek a solution to the problem through dialogue instead of placing pressure on North Korea, they said.

On trade, Petersen said European nations are concerned that Japan and the United States might reach a bilateral agreement from which other nations might not benefit.

He called on Japan to keep other nations informed of the results of negotiations with the U.S., they said.

Petersen is to leave Japan on Sunday.

Firms Quit European Microwave Oven Market

OW1204014494 Tokyo KYODO in English 0120 GMT 12 Apr 94

[Text] Tokyo, April 12 KYODO—Hitachi Ltd. and Toshiba Corp. have pulled out of the European microwave oven market due to sluggish demand and will focus on the audiovisual equipment market there, spokesmen for the companies said Tuesday [12 April].

A spokesman for Hitachi said the company's British subsidiary stopped production of microwave ovens last fall and has wiped out inventories by late March.

Hitachi Consumer Products UK Ltd. began production of microwave ovens in 1987 for sale in Britain and its output peaked in 1988 at 100,000 units but fell to 10,000 in 1993, the spokesman said.

The subsidiary's main products are television sets and videocassette recorders and it will concentrate on these, he said.

Sales of microwave ovens account for less than 10 percent of total sales of the British subsidiary, the spokesman said.

A spokesman for Toshiba said the company in February sold its equity stake of some 33 percent in a microwave oven joint venture in France to its joint venture partners, AEG Hausgeräte AG of Germany and TEM Electromanager of Italy.

The spokesman cited sluggish sales of microwave ovens and a company strategy in Europe of focusing on the audiovisual equipment market as factors behind the move.

The French joint venture, Compagnie Européenne Pour La Fabrication D'Enceintes a Micro-Onde (CEFEM), was established in January 1986 under equal equity partnership by Toshiba and the two other companies.

CEFEM's production peaked in 1988 at some 220,000 units, but had plunged to some 100,000 by 1993 due to increased competition, the spokesman said.

Tokyo Urges UN To Drop Charter 'Enemy Clause'

OW0904040294 Tokyo KYODO in English 0327 GMT 9 Apr 94

[Text] New York, April 8 KYODO—Japan's deputy ambassador to the United Nations said Friday [8 April] that the UN should abolish the "enemy clause" in its charter, which alludes to such countries as Japan and Germany as enemy states.

Shunji Maruyama, addressing a working-group meeting to reform the UN Security Council, said the clause shows part of the chapter is outdated.

In Article 53 and Article 107, the charter states that enforcement action can be taken against any "enemy state" without the authorization of the Security Council.

"Enemy" states refer to countries that lost World War II—Bulgaria, Finland, Germany, Hungary, Italy, Japan and Romania.

Japan has strongly urged scrapping the clause. Germany has made no such a demand, saying it is already a de facto dead clause.

Tokyo To Send Election Observers to El Salvador

OW0804041794 Tokyo KYODO in English 0305 GMT 8 Apr 94

[Text] Tokyo, April 8 KYODO—The Japanese Government decided Friday [8 April] to send 15 election observers to El Salvador again as part of a UN peace-keeping mission, Chief Cabinet Secretary Masayoshi Takemura said.

The decision came after no candidate was able to win the necessary majority of votes to fill the offices of president and vice president in the March 20 elections, resulting in another election set for April 24 to pick the nation's two top leaders, the chief government spokesman told reporters.

Japan sent a 15-member team to monitor the last polls in the central American country. The Japanese observers returned home on March 25.

Tokyo will again dispatch 15 election monitors to El Salvador for about a 10-day stay, a government official said.

Most of the participants will be picked from those taking part in the last mission, the official said.

El Salvador is the third country to which Japan has sent election observers in accordance with the UN Peace-keeping Cooperation Law, following Angola and Cambodia.

OECD Signs Loan Agreement to Peru

OW0804124894 Tokyo KYODO in English 0955 GMT 8 Apr 94

[Text] Tokyo, April 8 KYODO—Japan's Overseas Economic Cooperation Fund (OECD) said Friday [8 April] it has signed an accord with Peru to furnish up to 2.24 billion yen in loans to the Latin American republic.

The untied loans will finance a project to reinforce Peru's health services, the OECD said.

The credit, carrying an interest rate of 3.0 percent per annum, will be redeemed in 30 years, including a grace period of 10 years.

The OECD's cumulative loans to Peru totaled 96,055 million yen.

Bank Plans To Extend Untied Loans to Peru

OW1304084694 Tokyo KYODO in English 0803 GMT 13 Apr 94

[Text] Tokyo, April 13 KYODO—The Export-Import Bank of Japan will extend two untied loans worth 22.5 billion yen to Peru, bank officials said Wednesday [13 April].

A signing ceremony for the loans took place Tuesday at the annual meeting of the Inter-American Development Bank in Guadalajara, Mexico. The loans will go toward improving the country's infrastructure.

It is the first time for the bank to extend an untied loan to the country.

Bank Extends \$200 Million Loan to Mexico

OW1204141194 Tokyo KYODO in English 1343 GMT 12 Apr 94

[Text] Tokyo, April 12 KYODO—The Export-Import Bank of Japan said Tuesday [12 April] it has signed a protocol for an untied direct loan of up to 200 million U.S. dollars to Nacional Financiera S.N.C. (Nafin) of Mexico.

The funds will be used for financing such projects as installing emissions control facilities to reduce air pollution in the Mexico City area, the Japanese bank said.

The funds are being extended in line with Japan's "Funds for Development" initiative program launched last June, the bank said.

Poaching Off Latin America 'Most Serious Case'

OW1104074394 Tokyo KYODO in English 0657 GMT 11 Apr 94

[Text] Yokosuka, Yokosuka Pref., April 11 KYODO—The Maritime Safety Agency asked prosecutors Monday [11 April] to file charges against three Japanese fishing companies for allegedly poaching 2,000 tons of bonito and tuna worth more than 1.5 billion yen in the southern Pacific Ocean, agency officials said.

It is the most serious case of illegal fishing yet exposed by the agency.

Longline fishing fleets of Sasashima Gyogyo of Nakaminato, Ibaraki Prefecture, and the two other companies are suspected of having caught the fish without proper permits off Ecuador and Colombia between 1991 and 1993.

The agency said the companies had violated Japan's fisheries law.

The five suspects involved in the case include the owner of Sasashima Gyogyo, Toshimasa Sasashima, 51.

From Central America, the tuna and bonito hauls were allegedly shipped to Japan by freighter and sold for a total of 1.56 billion yen.

Tokyo Offers Medicine to Six CIS Republics

OW1304063994 Tokyo KYODO in English 0612 GMT 13 Apr 94

[Text] Tokyo, April 13 KYODO—Japan will extend 9 million dollars worth of medicine and medical equipment to treat a total of four million patients in six former Soviet republics, the Foreign Ministry said Wednesday [13 April].

The government will extend some 517 tons of medicines and equipment to Armenia, Azerbaijan, Georgia, Ukraine, Belarus and Moldova, through the International Federation of Red Cross and Red Crescent Societies (IFRC), the ministry said.

The goods, including antibiotics, anesthetics, syringes and surgical gloves, will be provided to the six countries' hospitals, psychiatric institutions, children's hospitals and maternity hospitals, it said.

Local Governments' Aid Aimed Mainly at Asia

OW1304142794 Tokyo KYODO in English 1332 GMT 13 Apr 94

[Text] Tokyo, April 13 KYODO—Japanese local governments' international contributions are mainly oriented to Asian countries in such fields as technical

assistance and trainee programs, a Home Affairs Ministry survey revealed Wednesday [13 April].

The survey was conducted last fall on Japan's 47 prefectures and the 12 ordinance-designated cities.

Of the 59 local governments surveyed, nine said they are "very active" and another 40 said they are "active" in contributing abroad, ministry officials said.

Among types of contribution under consideration, 51 local governments said acceptance of trainees takes priority and 44 respondents said dispatch of experts has precedence, the officials said.

Financial assistance and material aid had only low priorities, they said.

Allowing for plural answers, a total of 85 local governments cited Asia as the region they want to help, they said. Of these, 40 respondents would make contributions to their sister cities, 26 to regions needing technical know-how, 20 to areas where there are many residents of Japanese origin and 28 to China, they said.

About fields where local governments can make contributions, 45 said agricultural techniques, 41 said industrial techniques and 37 said health and welfare, they said. Other responses included fishery techniques, forestry techniques and prevention of pollution.

Nineteen local governments said they have some knowledge of what foreign countries need but 39 respondents said they have insufficient knowledge.

Thirty-one said the purpose of such contributions is to activate the prefecture or the city, 25 to contribute to world peace and 12 to educate staff, they said.

More Reports on Aftermath of Hosokawa Resignation

Hiraiwa on Reformist Government

OW1104101094 Tokyo KYODO in English 0920 GMT 11 Apr 94

[Text] Tokyo, April 11 KYODO—Gaishi Hiraiwa, head of the powerful Federation of Economic Organizations (Keidanren), said Monday [11 April] he hopes another reformist government will take over from outgoing Prime Minister Morihiro Hosokawa.

"It is desirable that a government which will get the budget through the Diet and carry on political, economic and administrative reforms will be installed," he told a news conference.

He warned that Japan will not be able to discharge its duties in the international arena unless the government carries out reforms.

Hiraiwa said it is extremely difficult to single out Hosokawa's successor at this stage but the selection must be made within a few days.

Hosokawa announced in a nationally televised news conference Friday he will resign as prime minister to take responsibility for a stalemate in the Diet over his personal finances.

The standstill has held up the enactment of the national budget for fiscal 1994 which began April 1.

Hiraiwa said he has given high marks to the Hosokawa government's efforts for political reform.

Hata on 'Framework' of Coalition

OW1204231994 Tokyo KYODO in English 2307 GMT 12 Apr 94

[Text] Tokyo, April 13 KYODO—Deputy Prime Minister and Foreign Minister Tsutomu Hata has emerged as the most likely successor to outgoing Prime Minister Morihiro Hosokawa as the ruling coalition reached a last-minute compromise late Tuesday [12 April] to avert a collapse, coalition sources said.

Representatives of the coalition parties are scheduled to meet Wednesday to confirm their unity and hammer out policies for a new government.

The coalition may agree to nominate Wataru Kubo, secretary general of its biggest group, the Social Democratic Party (SDP), as new chief cabinet secretary, who serves as chief spokesman and chief of staff for the prime minister, the sources said.

Both houses of the Diet are expected to vote on a new prime minister early next week after Hata returns home from an international trade meeting in Morocco, they said.

Hata, who is the head of Shinseito, widely regarded as the coalition's driving force, is tentatively scheduled to leave Tokyo on Wednesday and return home Sunday.

The heads of three of the seven parties in the eight-month-old coalition—the SDP, new party Sakigake and the Democratic Socialist Party (DSP)—met late Tuesday to discuss the choice of a successor to Hosokawa, who announced his resignation last Friday.

During the meeting, SDP chairman Tomiichi Murayama told DSP chairman Keigo Ouchi and Sakigake leader Masayoshi Takemura that a plan has emerged to pick Hata as prime minister and Kubo as chief cabinet secretary, coalition sources said.

Hata told a news conference Tuesday night that he places importance on maintaining the framework of the coalition.

"During the past eight months, each of us was in a hard position but could settle difficult problems," Hata said.

The coalition's compromise followed several rounds of secret talks between Murayama and Shinseito Secretary General Ichiro Ozawa, a key coalition strategist, political sources said.

Meanwhile, former Foreign Minister Michio Watanabe of the Liberal Democratic Party (LDP) has given up the idea of leaving the main opposition party and running for the premiership, LDP sources said.

His decision followed the coalition agreement to maintain unity.

Watanabe has failed to garner a sufficient number of supporters from among LDP members, the sources said.

After attending Tuesday's meeting of representatives of coalition components, SDP Secretary General Kubo said, "I'm pretty sure we can solve our problems to maintain and develop our coalition government."

Shinseito's Ozawa told reporters, "everything is going in the right direction."

The coalition had been on the brink of collapse, as divisions among the parties deepened after Hosokawa abruptly announced his resignation.

Sakigake To Remain in Coalition

OW1304021194 Tokyo KYODO in English 0147 GMT 13 Apr 94

[Text] Tokyo, April 13 KYODO—New party Sakigake, led by Chief Cabinet Secretary Masayoshi Takemura, will remain in the ruling coalition, a senior party official said Wednesday (13 April).

There may remain "an unpleasant feeling" between Sakigake and Shinseito, however, said the official, who spoke to reporters on condition of anonymity. Shinseito is regarded as the most influential force in the seven-party coalition.

Shinseito head Tsutomu Hata, who is deputy prime minister and foreign minister, has emerged as the most likely successor to outgoing Prime Minister Morihiro Hosokawa, coalition sources said.

During the course of the power struggle following Hosokawa's announcement of his resignation last Friday, Sakigake has sided with the coalition's biggest group, the Social Democratic Party, to oppose Shinseito Secretary General Ichiro Ozawa's influence over the choice of a successor to Hosokawa, political sources said.

Efforts To Form New Government

OW1304053694 Tokyo KYODO in English 0502 GMT 13 Apr 94

[Text] Tokyo, April 13 KYODO—Executives of the governing coalition parties agreed on Wednesday (13 April) to continue efforts to synchronize their basic policies and install a new government as quickly as possible.

Social Democratic Party (SDP) Secretary General Wataru Kubo told a news conference that the coalition

executives will seek approval of their accord from their party leaders and resume negotiations on Wednesday afternoon.

Kubo, the No. 2 man in the largest coalition contingent, also revealed that the executives agreed the coalition party leaders have the final word on the choice of a successor to exiting Prime Minister Morihiro Hosokawa and the lineup of a new cabinet.

The eight-month-old coalition, an alliance of seven parties spanning a wide political spectrum, moved to avert split on Tuesday after days of wrangling over procedures to select a successor to Hosokawa, who announced Friday he was resigning.

The governing parties on late Tuesday moved toward maintaining their unity and staying in power together.

Deputy Prime Minister and Foreign Minister Tsutomu Hata has emerged as the favorite for the premiership, political sources said.

"Mr. Hata is the most likely candidate as new premier," Health and Welfare Minister Keigo Ouchi, who is also the leader of the Democratic Socialist Party, told reporters Wednesday morning.

The coalition may also agree to nominate Kubo of the SDP as new chief cabinet secretary, who serves as the top government spokesman and chief of staff for the premier, the sources said.

Both houses of the Diet are expected to vote on a new premier early next week after Hata returns home from an international trade meeting in Morocco, they said.

Hata, who heads Shinseito, a major component in the coalition, left Tokyo on Wednesday and will return home on Sunday.

Chief Cabinet Secretary Masayoshi Takemura, the head of new party Sakigake, however, said Wednesday the coalition leaders must first discuss the shape of a new coalition government before talking about the choice of a new premier.

Meanwhile, former Foreign Minister Michio Watanabe of the Liberal Democratic Party (LDP) has given up the idea of defecting from the main opposition party and running for the premiership, according to LDP sources.

Watanabe, who has signaled his readiness for such a move, failed to muster a sufficient number of followers from among LDP members, the sources said.

He is scheduled to meet LDP President Yohei Kono later Wednesday to compare notes on the selection of an LDP candidate for the premiership, they said.

Former Publisher: Hosokawa Lied

*OW1304100694 Tokyo KYODO in English 0946 GMT
13 Apr 94*

[Text] Tokyo, April 13 KYODO—A former publisher of an economic magazine said Wednesday [13 April] Prime Minister Morihiro Hosokawa lied about investment of his funds in his resignation announcement last Friday. Yusei Kuwahata, 60, said in a press conference that "Hosokawa's office made me out to be like a criminal, using me as a tool to make Premier Hosokawa look clean."

From around 1981 to 1985, Kuwahata invested Hosokawa's funds and gained profits for Hosokawa of 20 to 30 million yen, according to Kuwahata.

Kuwahata denied any illegality in his use of the funds, in spite of Hosokawa's citing "new suspicions" over the legality of his financial deals as one of the reasons for his resignation.

He said he did not invest the funds on the black market.

Some newspapers have reported that a former secretary of the late former Prime Minister Kakuei Tanaka introduced him to Hosokawa's financial secretary. Kuwahata, however, said an "ordinary person" who has since died introduced him to Hosokawa around 1980 when Hosokawa was a House of Councillors member of the Liberal Democratic Party.

In investing Hosokawa's funds, Kuwahata promised him an annual interest rate of 12 percent, he said.

"I did not care if I made a loss, because I thought of it as a political donation," Kuwahata said.

Hosokawa told a news conference Friday, "from 1981 and for several years, my office let a certain person use the funds, and he gained personal profit from them. That person is an old personal friend of mine."

The premier declined, however, to elaborate on the specifics of the new suspicions, saying an investigation by his political office was still under way.

Businessmen: Situation 'Shaky'

*OW1304124994 Tokyo KYODO in English 1238 GMT
13 Apr 94*

[Text] Tokyo, April 13 KYODO—The business community welcomed Wednesday [13 April] a virtual end to political confusion that followed the abrupt resignation announcement of Prime Minister Morihiro Hosokawa. Deputy Prime Minister and Foreign Minister Tsutomu Hata has emerged as the likeliest choice to succeed Hosokawa as head of the governing coalition, political sources said.

Business leaders hope a new administration led by Hata will normalize stalled Diet proceedings, paving the way for early passage of the fiscal 1994 budget and favorably affecting the domestic economy.

Gaishi Hiraiwa, chairman of the powerful Federation of Economic Organizations (Keidanren), expressed hope that the new government will continue to pursue a policy of political and economic reform.

Officials of the Japan Association of Corporate Executives (Keizai Doyukai) said the new government will never be allowed to abandon the reform policy in light of domestic and international situations.

Some business executives, however, said the political situation remains shaky as a new round of political reorganizations seems to be inevitable.

Diplomatic Schedule Affected

*OW1304125994 Tokyo KYODO in English 1244 GMT
13 Apr 94*

[Text] Tokyo, April 13 KYODO—Prime Minister Morihiro Hosokawa's surprise decision to resign and the succession struggle in the ruling coalition may disrupt Tokyo's diplomatic schedule, government sources indicated Wednesday [13 April].

Vice Foreign Minister Kunihiko Saito expressed concern that the political turmoil in Tokyo could affect efforts to resume stalled trade talks with Washington. "We are not sure if it will be possible to come to an agreement on reopening negotiations," Saito said at a seminar in Chiba.

Foreign Minister Tsutomu Hata and U.S. Trade Representative Mickey Kantor, who are both attending ceremonies to finalize the agreements of the Uruguay Round world trade talks in Marrakech, Morocco, were expected to discuss the issue. "With Japan's political situation having come that far, it probably won't be easy to make a decision," Saito said.

Earlier the same day Egypt's President Hosni Mubarak, scheduled to visit Japan from April 18 to 21, postponed his trip apparently because of the anticipated government change.

While Thai Government officials indicated that given the uncertainty about when a new Japanese prime minister will be sworn in, Prime Minister Chuan Likphai's visit from April 22 to 27 might be difficult to realize.

However, Japanese Foreign Ministry sources said the next prime minister and foreign minister should stick to the already arranged travel schedules "for the sake of diplomatic continuity."

Hosokawa was scheduled to make a three-nation visit to Europe starting May 3, while Hata was scheduled to pay a visit to the Middle East, including Egypt and Israel, from April 29. Other meetings that could be affected by the anticipated government change include Defense Chief Kazuo Aichi's talks with U.S. Defense Secretary William Perry in the middle of next week and with South Korean Defense Minister Yi Pyong-tae around April 25, according to the Foreign Ministry sources.

Mubarak Reportedly Cancels Visit

*OW1204232394 Tokyo KYODO in English 2309 GMT
12 Apr 94*

[Text] Cairo, April 12 KYODO—Egypt's President Hosni Mubarak is canceling a scheduled visit to Japan later this month because of the resignation of Prime Minister Morihiro Hosokawa, the Middle East News Agency reported Tuesday [12 April].

Mubarak was scheduled to visit Japan as a state guest from April 18 to 21.

The Egyptian News Service said he will visit China starting April 21 as originally scheduled.

In Tokyo, a Foreign Ministry official said Japan has not received any official notice of the cancellation of Mubarak's visit.

Discussion on Hosokawa's Successor Continues

Ouchi: Hata Probable Successor

*OW1304025594 Tokyo KYODO in English 0249 GMT
13 Apr 94*

[Text] Tokyo, April 13 KYODO—The leader of the Democratic Socialist Party (DSP), one of the seven parties in the ruling coalition, said Wednesday [13 April] that Foreign Minister Tsutomu Hata is the most probable successor to Prime Minister Morihiro Hosokawa.

DSP Chairman Keigo Ouchi, minister of health and welfare, hinted, however, at his disapproval of behind-the-scenes deals among coalition parties over cabinet posts. "The new prime minister should select new cabinet ministers," he told reporters.

Work on allocation of cabinet posts "must begin after procedures are worked out and a new prime minister is picked," Ouchi said.

Ouchi's comment alluded to news reports that Social Democratic Party Secretary General Wataru Kubo is tipped to become new chief cabinet secretary under Hata, who is the head of Shinseito, the most influential force in the coalition.

Disaffection With Moves for Hata

*OW1304034294 Tokyo KYODO in English 0336 GMT
13 Apr 94*

[Text] Tokyo, April 13 KYODO—New party Sakigake leader Masayoshi Takemura on Wednesday [13 April] expressed disaffection with burgeoning intra-coalition moves to put forward Foreign Minister Tsutomu Hata as next prime minister. Takemura told a news conference at Sakigake's headquarters in Tokyo that coalition parties should conclude discussion on a possible recombination of political parties that will comprise a new coalition government before picking their prime ministerial candidate.

Coalition parties "have not initiated discussion on what framework a new government should have," Takemura said.

Takemura called on other chiefs of coalition parties to band together to reconcile their difference over key policy objectives before initiating full-fledged talks on picking a new prime minister.

"The responsible leaders of coalition parties should assemble, analyze the situation and then start debate on what prospects (a new government) should have," he said.

"If they could reconcile their differences, we could go ahead with the current framework. However, if we failed to strike such accord, we should consider forming a new recombination of parties," he said.

Earlier in the day, a senior Sakigake official said the party will remain in the ruling coalition.

There may remain "an unpleasant feeling" between Sakigake and Shinseito, however, said the official, who spoke to reporters on condition of anonymity. Shinseito is regarded as the most influential force in the seven-party coalition.

During the course of the power struggle following Hosokawa's announcement of his resignation last Friday, Sakigake has sided with the coalition's biggest group, the Social Democratic Party, to oppose Shinseito Secretary General Ichiro Ozawa's influence over the choice of a successor to Hosokawa, political sources said.

Hata's Chances 'Almost Certain'

*OW1304112494 Tokyo KYODO in English 1116 GMT
13 Apr 94*

[Text] Tokyo, April 13 KYODO—Ruling coalition parties failed Wednesday [13 April] to come closer to naming a successor to outgoing Prime Minister Morihiro Hosokawa. Quarrels over how to choose a replacement for Hosokawa, who suddenly offered to resign on Friday, resumed one day after executives of the ruling parties agreed to avert a split in the coalition and form a new government under the current framework.

With the decision Tuesday to maintain unity, Foreign Minister and concurrently Deputy Prime Minister Tsutomu Hata's chances of being named the next premier was almost certain.

Wrangling between the groups resumed Wednesday morning, however, when Chief Cabinet Secretary Masayoshi Takemura, head of the new party Sakigake (Harbinger), aired his grievances over the selection process. Takemura told reporters that leaders of the coalition parties must first exchange views on the shape of a new coalition government before finding a successor to Hosokawa.

This was in contrast with an agreement among the secretary general-level coalition representatives that

their caucus, not a forum of coalition chiefs, would have the authority to take charge of selecting the next premier.

Sakigake decided later to boycott a meeting of ruling party executives until a forum of coalition chiefs was given the authority to select Hosokawa's replacement. The move could result in a split in the eight-month-old coalition.

The party insists that coalition heads should meet first to discuss the mandate of the coalition representatives' caucus—the highest decision-making body under the Hosokawa administration—and the selection of a new premier candidate.

It also points to the need for the coalition partners to synchronize their basic policies, decide on the framework of a new coalition government and select a candidate for the premiership.

"It runs counter to the founding principles of our party to approve a decision on a new premier through back-room talks," a senior Sakigake official said. "We cannot help but become an opposition party."

In the absence of a Sakigake figure, the executives of the other ruling parties agreed in their Wednesday evening meeting to continue discussing the matter on Thursday morning, coalition officials said.

Social Democratic Socialist Party (SDP) Secretary General Wataru Kubo told a news conference that SDP Chairman Tomiichi Murayama will ask his coalition counterparts to meet all together so as not to isolate Sakigake and cause the ruling union to collapse.

"The SDP chairman says he wishes to do his best to realize a meeting of coalition chiefs, which will allow Sakigake to come back and hammer out an accord on how to solve this difficult problem," Kubo said.

Kubo, the No. 2 man in the largest coalition contingent, added he will report to Thursday's gathering of coalition representatives on the outcome of Murayama's efforts to bring together all the heads of the ruling parties.

Murayama had twice proposed holding a meeting of coalition chiefs—once Monday and again Tuesday—to break a stalemate over the choice of a replacement for Hosokawa and avert a collapse of the coalition.

Sakigake, the Democratic Socialist Party (DSP) and the SDP favored the selection of a new premier at a forum of the coalition party leaders. But leaders of four coalition partners—Shinseito (Japan Renewal Party), Komeito, Hosokawa's Japan New Party (JNP) and the United Social Democratic Party—rejected the bid and boycotted the two sessions.

The row over the procedures to pick a candidate to replace Hosokawa stems from the deep gulf between the moderate-to-leftist Sakigake-DSP-SDP bloc and the more conservative Shinseito-Komeito camp over political philosophies and some key national policies.

Bickering between Sakigake's Takemura and Shinseito's Ichiro Ozawa, the main coalition strategist, over political management is also regarded as a source of trouble within the coalition.

Meanwhile, former Foreign Minister Michio Watanabe of the Liberal Democratic Party (LDP) on Wednesday reaffirmed his desire to run for the highest government office, even by defecting from the primary opposition party with fellow LDP members.

Some LDP sources said late Tuesday night Watanabe gave up the idea of defecting from the once-dominant party due to the unlikelihood of his garnering a sufficient number of supporters from among LDP members to succeed.

The Shinseito-Komeito camp has also explored the possibility of fielding Watanabe, a close friend of Ozawa, as a candidate to succeed Hosokawa, should he bolt from the LDP along with a large number of his followers and join the coalition.

Watanabe Steps Up Campaign

OW1304132894 Tokyo KYODO in English 1315 GMT
13 Apr 94

[Text] Tokyo, April 13 KYODO—Former Foreign Minister Michio Watanabe, a primary force in the main opposition Liberal Democratic Party (LDP), on Wednesday [13 April] stepped up his campaign to succeed outgoing Prime Minister Morihiro Hosokawa. At a meeting Wednesday [13 April], Watanabe's faction agreed to lobby LDP members to endorse him as the successor to Hosokawa, who announced last Friday he would resign, faction sources said.

Watanabe also rejected a request for face-to-face talks with LDP President Yohei Kono, who vowed Tuesday to seek the premiership to maintain party unity, the sources said.

Watanabe emerged earlier this week as a prime candidate for the premiership after a feud within the ruling coalition threatened to split the government, weakening the chances of front-runner Foreign Minister Tsutomu Hata being named to succeed Hosokawa. But on Tuesday, the ruling coalition, which was on the verge of collapse, moved to maintain the current framework of the government, once again strengthening Hata's hand.

A senior member of Watanabe's faction said, however, there is still a glimmer of hope for Watanabe being named prime minister because the ruling coalition parties have failed to mend wounds within the shaky alliance and band together to support Hata.

On Wednesday, new party Sakigake [Harbinger], a component of the coalition, voiced its opposition with the process of selecting a new premier and boycotted a crucial meeting, giving impetus once again to Watanabe's ambitions to lead a new government.

Sakigake leader Masayoshi Takemura, chief cabinet secretary, told a news conference that coalition parties should conclude discussion on possible realignment of political forces before choosing the next prime minister.

Shinseitō [Japan Renewal Party] and Komeitō, the coalition's two core forces that are at odds with Sakigake, have expressed interest in Watanabe as the next leader of a new coalition government due to his political savvy and influence, political sources said.

They said Watanabe may form a new party if he rallies enough support from within the LDP.

A senior LDP official said, "It is good if Watanabe runs in the election (as the LDP's unified candidate) and the LDP is able to regain power, but if he is a candidate within the party, it means Kono should resign as party president."

Yamanashi Firm Ordered To Stop Unfair Trade
OW0804125194 Tokyo KYODO in English 1051 GMT 8 Apr 94

[Text] Tokyo, April 8 KYODO—The Fair Trade Commission (FTC) on Friday [8 April] ordered the Yamanashi Prefectural Construction Industry Association to stop unfair practices, FTC officials said.

The FTC ruled that for 10 years member firms of the construction cartel repeatedly engaged in "dango" price fixing activities on public works projects.

The trade watchdog, however, held off on seeking a criminal indictment since it could not find one case of price-fixing to prosecute.

This follows a similar decision not to seek a criminal indictment against a contractor cartel in Saitama Prefecture, which had been linked to former Construction Minister Kishiro Nakamura, who was indicted last Friday on charges of receiving 10 million yen from major contractor Kajima Corp. in bribes.

According to the FTC investigation, the eight branches of the association beginning around 1983 took orders for public works projects and decided which firms would be awarded the contracts as well as the price of the project.

The "dango" activities continued until last May when the FTC initiated its investigation into the association.

Suspensions concerning the association surfaced with disgraced kingpin Shin Kanemaru's tax evasion case when prosecutors questioned contracting firms over their huge cash political donations to Kanemaru.

Kanemaru, who had been elected from Yamanashi Prefecture, is facing tax evasion charges.

Earnings From Rice Imports Top 210 Billion Yen
OW1304123094 Tokyo KYODO in English 1146 GMT 13 Apr 94

[Text] Tokyo, April 13 KYODO—The farm ministry has incorporated gains of 211.7 billion yen accruing from emergency rice imports in the fiscal 1994 budget, ministry sources said Wednesday [13 April].

The Ministry of Agriculture, Forestry and Fisheries started rice imports on an emergency basis last November to make up for a supply shortage resulting from a poor rice harvest in Japan last year.

The sources said the ministry estimates total rice imports at 2.29 million tons.

They said the ministry set the ceiling of rice imports at 2.65 million tons and if the imports hit the upper limit, the ministry's earnings amount to about 250 billion yen.

The ministry makes profits by selling foreign rice to wholesalers at prices higher than import prices. The yen's appreciation also boosted the ministry's gains.

The sources said the ministry's gains from rice imports average about 92,000 yen per ton.

The sources said the ministry will use the gains for payments of mutual aid insurance to rice growers who suffered from the poor harvest.

They said insurance payments have hit a record high of 440 billion yen.

Nakamura Seeks Bail for Diet Vote Participation
OW1204085594 Tokyo KYODO in English 0818 GMT 12 Apr 94

[Text] Tokyo, April 12 KYODO—Former Construction Minister Kishiro Nakamura, detained on a bribery charge, again asked Tuesday [12 April] to be freed on bail so he can take part in a Diet vote to pick the next prime minister, his lawyers said.

Nakamura, 44, has been detained since mid-March after prosecutors arrested him on suspicion of taking a bribe from leading contractor Kajima Corp.

On April 5, a judge at the Tokyo District Court rejected Nakamura's bail application, saying he might destroy evidence.

In a fresh petition to the same court, defense lawyers argued that Nakamura, as a member of the House of Representatives, needs to perform his duty and take part in the vote for a new prime minister. The vote is very important in that it will decide the future of Japanese politics, they said.

No date has yet been set for the two houses of the Diet to hold the vote on a successor to Morihiro Hosokawa, who announced his resignation last Friday.

Under Japan's code of criminal procedure, a suspect under arrest is automatically detained for two months upon indictment but can apply for release on bail. The detention order has to be renewed every two months.

Nakamura is charged with taking the 10 million yen bribe January 13, 1992, from Shinji Kiyoyama, then vice president of Kajima Corp. Nakamura was at that time acting head of the then governing Liberal Democratic Party's panel on antimonopoly policies.

Prosecutors opposed Nakamura's previous petition for bail, saying he may destroy evidence because he has stayed completely silent when questioned about the case.

Nakamura quit the LDP just before his arrest and is currently an independent member of the lower house.

He served as construction minister from December 1992 to August 1993 under then Prime Minister Kiichi Miyazawa.

Tokyo Court Rejects Request Again

*OW1304093194 Tokyo KYODO in English 0811 GMT
13 Apr 94*

[Excerpt] Tokyo, April 13 KYODO—A Tokyo district court judge rejected again Wednesday [13 April] a request for bail from former Construction Minister Kishiro Nakamura to allow him to vote for a new prime minister.

Nakamura's first bail application was dismissed last Tuesday on the grounds he might destroy evidence.

Nakamura asked Tuesday to be freed on bail so he can take part in a Diet vote to pick a successor to Prime Minister Morihiro Hosokawa, who abruptly announced his resignation last Friday over financial dealings.

No date has been set for the Diet vote yet. [passage omitted]

Punishing Stations Over Election Reports Studied

*OW1104124594 Tokyo KYODO in English 1216 GMT
11 Apr 94*

[Text] Tokyo, April 11 KYODO—A senior postal ministry official indicated Monday [11 April] that the ministry is considering punitive action against several television stations because of their inaccurate reporting of election results.

Akimasa Egawa, head of the Posts and Telecommunications Ministry's Broadcasting Bureau, said Japan Broadcasting Corp. (NHK) and commercial television stations will be subject to punishment.

Some unsuccessful candidates were reported to be assured of election in the early stage of vote counting in the House of Representatives election in July last year, he said.

Egawa said the existing law bars television stations from offering biased reports to viewers.

In the general election, NHK and five commercial key stations provided erroneous reports in 19 cases, according to the ministry.

Panel Begins Work on New Electoral Districts

*OW1104012594 Tokyo KYODO in English 0105 GMT
11 Apr 94*

[Text] Tokyo, April 11 KYODO—A seven-member panel began work Monday [11 April] to delimit 300 new single-seat districts in general elections for the House of Representatives, government officials said.

The panel, headed by Tadao Ichikawa, former president of Keio University, will file a report on its work in six months, they said.

The government will submit a bill based on the panel's report and the Diet is expected to enact the bill in an extraordinary session this fall, the officials said.

The launching of the council followed the enactment earlier this year of a package of political reform bills which introduce single-seat constituencies for lower house general elections.

Under the package, 300 of the 500 lower house members will be elected from single-seat districts and the remaining 200 through proportional representation.

The current 511-seat House of Representatives was elected last July from constituencies with the number of seats ranging from two to six each.

Incumbent Wins Kyoto Gubernatorial Race

*OW1004124094 Tokyo KYODO in English 1221 GMT
10 Apr 94*

[Text] Kyoto, April 10 KYODO—Incumbent Teiichi Aramaki easily won Sunday's [10 April] Kyoto gubernatorial election for a third consecutive four-year term, backed by the main opposition party and seven ruling coalition parties, prefectural election commission officials said.

Aramaki, 62, who ran as an independent, defeated independent contender Mampei Kimura, 70, by a wide margin.

Aramaki was supported by the opposition Liberal Democratic Party and all seven ruling parties—the Social Democratic Party, foreign minister Tsutomu Hata's Shinseito (Japan Renewal Party), Komeito, prime minister Morihiro Hosokawa's Japan New Party, the Democratic Socialist Party, Chief Cabinet Secretary Masayoshi Takemura's new party Sakigake and the United Social Democratic Party.

Kimura was supported by the Japanese Communist Party, another opposition party.

Aramaki won 421,583 votes, while Kimura garnered 225,688 with 78 percent of ballots counted as of 8:30 P.M.

Voter turnout stood at a record low of 43.02 percent, down 0.72 percentage point from 43.74 percent four years ago.

The governorship race, which came on the heels of Hosokawa's resignation announcement Friday, did not receive much attention from voters because it was virtually a replay of the previous election, fought between the same two people.

Kato: Panel Mostly for 'Shifting' Tax Burden

OW1204095294 Tokyo KYODO in English 0939 GMT 12 Apr 94

[Text] Tokyo, April 12 KYODO—The government's tax commission generally favors shifting Japan's tax burden from income to consumption taxes, panel chief Kan Kato said [12 April].

Although some members are cautious about shifting the burden toward direct taxation and want further discussion, no opposition emerged at a panel meeting, Kato told a news conference afterward.

Kato, an emeritus professor at Keio University, said the advisory panel to the prime minister must pick up the pace of its deliberations to meet a June deadline for its final report, which the government is to use to craft its tax policy.

The commission, which will meet again Friday, also agreed to form a working group of scholars, excluding bureaucrats and interest-group representatives, to examine the possibility of a regional consumption tax, Kato said.

The tax options that the commission is to lay out in its report will likely not be numerical, he said. Kato has said he agrees with Prime Minister Morihiro Hosokawa that the net tax burden must be raised to meet the needs of Japan's aging society.

The commission ended its previous meeting in confusion just as Hosokawa announced last Friday that he will quit as premier.

But Kato said the members agreed Tuesday to press on with their work, noting Japan's international promise to spell out by the end of June its pledge for tax reform, including permanent income tax cuts, to be enacted by year's end.

"Whoever becomes the next prime minister, the road is narrowing" as the tax debate proceeds and time runs out, Kato said.

Finance Official: Full Tax Reform To Proceed

OW1104100994 Tokyo KYODO in English 0947 GMT 11 Apr 94

[Text] Tokyo, April 11 KYODO—Japan will present details of a full tax reform in June, as originally promised in a market-opening package in March, a top Finance Ministry official said Monday [11 April].

Both ruling and opposition parties have "indicated clearly" the direction the full tax reform should take, Vice Finance Minister Jiro Saito told a regular press meeting, brushing aside the notion that the current political uncertainty could retard the process.

He was referring to a provision attached by legislators from the coalition parties and the opposition Liberal Democratic Party when enacting a single-year tax cut bill in March. It calls for inclusion of a permanent tax cut in a reform to be enacted by the end of the year.

Saito also said he "hopes for some conclusion on funding" in reference to deficit-covering bonds to be issued to offset the income tax cut, limited to fiscal 1994.

The Finance Ministry has been calling for a consumption tax hike to offset tax cuts.

Concerning the impact of political uncertainty on the economy, Saito said the stock and currency exchange markets "held relatively steady despite my earlier concerns."

Saying he would watch developments, Saito repeated his wish for Diet passage "as soon as possible" of the fiscal 1994 budget, and said Japanese officials are working "through diplomatic channels" to seek a breakthrough in the stalled Japan-U.S. framework trade talks.

MITI Gives Warning to Kashima Oil Over Losses

OW1104051194 Tokyo KYODO in English 0359 GMT 11 Apr 94

[Text] Tokyo, April 11 KYODO—The government gave a warning Monday [11 April] to medium-sized Japanese oil refiner Kashima Oil Co. for incurring huge unrealized losses from its failed forward foreign exchange deals, officials said.

The Agency of Energy and Natural Resources of the Ministry of International Trade and Industry (MITI) summoned Kashima President Hachiro Obata to deliver the warning over the company's 152.5 billion yen worth of loss, agency officials said.

The agency told Obata to prevent a similar recurrence and devise company restructuring plans soon, the officials said.

Wild fluctuations in yen-dollar rates since the mid-1980s have made forward exchange trading often risky and many oil firms, including Showa Shell Sekiyu K.K., have reported huge losses from such deals.

Showa Shell's loss, disclosed in February 1993, prompted a MITI hearing on other oil distributors and refiners, but Kashima failed to report its losses at that time.

Decontrol of Commercial Paper Issues by Insurers
OW1104120694 Tokyo KYODO in English 1121 GMT 11 Apr 94

[Text] Tokyo, April 11 KYODO—The Ministry of Finance will decontrol commercial paper issues by life and nonlife insurance firms to raise short-term funds, ministry officials said Monday [11 April].

The officials said a formal decision will be made by the end of this week.

They said the decision is in line with a recommendation in June 1992 by the Insurance Council, an advisory panel to the finance minister.

The officials said insurance companies are expected to issue their first commercial paper in May at the earliest.

Insurance firms have hitherto raised necessary funds through sales of securities holdings to cover the extraordinary expenditure caused by natural disasters.

They will be able to issue commercial paper to refund debentures issued by them in the past.

The ministry conditionally lifted controls on commercial paper issues by leasing and consumer credit companies in June last year.

Prices of Many Domestic Goods Said Unchanged
OW0804165594 Tokyo KYODO in English 1443 GMT 8 Apr 94

[Text] Tokyo, April 8 KYODO—Despite the yen's rise since early last year, prices of many domestic products have not seen much of a decline, in contrast with a fall in yen-based import prices of comparable products, the Fair Trade Commission (FTC) said Friday [8 April].

The commission conducted a survey on the effects of the yen's appreciation on prices of products from the angle of market structure, comparing wholesale prices of 45 items last December with year-earlier levels.

The 45 items surveyed were limited to those covered by both the import price index and domestic wholesale price index.

A considerable fall was noted in prices, in yen terms, of imported cigarettes, pig iron, motors and farm tractors, but wholesale prices of comparable domestic products rose, the survey said.

Wholesale prices of 19 items in which foreign access to the markets is limited—such as beer, whisky, brandy and cheese—posted almost no decline, compared with an

appreciable fall in yen-based import prices of comparable foreign products, it said.

The survey said that in the case of 15 of the 23 items, the Japanese market is in an oligopolistic state with the combined market share of the top three makers reaching 60 percent or above.

Like monopoly, oligopoly tends to stem a fall in market prices.

The more imported raw and semifinished materials are used, the more the prices of products using those materials will fall if there are no factors limiting competition, the survey said.

It said the more oligopolistic the market is, the less tendency there will be for lower prices.

Finance, Posts Ministries Agree on Deposit Rates
OW0804025894 Tokyo KYODO in English 0201 GMT 8 Apr 94

[Text] Tokyo, April 8 KYODO—The Finance Ministry and the Ministry of Posts and Telecommunications have agreed to maintain the 1.1 percentage point difference between rates on ordinary postal savings deposits and ordinary banking deposits, officials said Friday [8 April].

The difference will remain effective even after ordinary deposit rates are liberalized, which could possibly start in June.

But the ministries will further scrutinize some exceptional cases such as when rates of ordinary bank deposits become sharply lower than market rates, the officials said.

The Posts and Telecommunications Ministry have been seeking to set the rate on its ordinary deposits in accordance with market rates but the Finance Ministry was insisting on leaving the difference, while narrowing the gap.

North Korea

IAEA's Blix Sets Deadline on Inspections
OW1304125494 Tokyo NHK General Television Network in Japanese 1024 GMT 13 Apr 94

[Announcer-read report over video; from "News 7" program; recorded passages in English]

[Text] With respect to the question of nuclear development by the DPRK, or North Korea, International Atomic Energy Agency [IAEA] Director General Hans Blix said the IAEA will submit a report on this case to the UN Security Council [UNSC] unless North Korea accepts nuclear inspections before the end of this month. He made the remark in an interview given to NHK in Hiroshima today.

[Begin recording] [Blix] We have sent a letter to the DPRK asking to let us be able to complete [nuclear inspections] as soon as possible. If this is not accepted by the DPRK, then, of course I have to report that to the Security Council.

[Unidentified NHK reporter] We would like to hear the deadline. When is the deadline for the procedure?

[Blix] That should be before the end of ... around the end of April. [end recording]

Following a failure to complete an inspection in North Korea last month, the IAEA brought this case to the UNSC on 22 March. But the UNSC just issued a presidential statement calling for North Korea's acceptance of IAEA inspections due to China's opposition to hardline policies against North Korea. Director General Blix's remarks indicate his view that, depending on North Korea's attitude, the issue should be brought again to the UNSC later this month. In that case, the UNSC will have to consider more compulsive measures, such as economic sanctions.

African Party Leaders Voice Support on 'Struggle'

SK1204220094 Pyongyang KCNA in English 1515 GMT 12 Apr 94

[Text] Pyongyang, April 12 (KCNA)—Foreign party leaders received ambassadors of the Democratic People's Republic of Korea to their countries and expressed support to the Korean people's struggle for a solution to the nuclear issue on the Korean peninsula.

The general secretary of the Executive Committee of the African Party for the Solidarity and Justice of Mali, Mohamedoun Dicko, said the struggle of the Korean people was a just struggle for defending the dignity and honor of the nation and the sovereignty of the country.

He declared:

"Their struggle for a solution to the nuclear issue on the Korean peninsula will surely end in victory. Because there are for them the wise guidance, indomitable will and brilliant strategy of the great his excellency President Kim Il-song and dear his excellency Kim Chong-il."

The general secretary of the People's Unity Party of Tunisia, Mohamed Bel Hadji Amor, said that tensions were growing on the Korean peninsula due to the Korean policy of the United States. He said the United States must promptly stop the anti-DPRK pressure campaign and new war provocation manoeuvres it was committing by using the United Nations and the International Atomic Energy Agency.

The general secretary of the Pan-African Union for the Social Democracy of the Congo, Moukoueke Cristophe, expressed support for the confederation formula of Korean reunification, denouncing the United States and its followers for obstructing the independent and peaceful reunification of Korea.

He supported the Korean people in their just efforts for a solution to the nuclear issue on the Korean peninsula through DPRK- U.S. talks.

Koreans in Canada Denounce U.S. Actions

SK1204215994 Pyongyang KCNA in English 1503 GMT 12 Apr 94

[Text] Pyongyang, April 12 (KCNA)—A joint statement denouncing the anti-DPRK campaign of the United States and its followers was published on March 30 by the Canadian regional headquarters of the National Alliance for the Country's Reunification (Pomminnyon), the Council for the Promotion of Peaceful Reunification of the Fatherland, the Korean Women's Society for the Country's Reunification in Canada and the Canadian regional headquarters of the National Alliance of Youth and Students for the Country's Reunification (Hom-chonghakryon), Tokyo-based Korean News Service reported.

The statement expressed indignation at the United States who is bringing the situation of the Korean peninsula to the brink of war, kicking up a nuclear row against the DPRK, and urged the United States to cancel at once the planned resumption of the "Team Spirit" and deployment of Patriot missiles and make sincere preparations for the third round of DPRK-U.S. talks.

The statement also urged that Japan, too, should stop making mischief between the South and the North, and bury the hatchet for peace, deeply mindful of the lessons of the past history.

It denounced, in the name of the nation, the towering crimes of the traitor Kim Yong-sam, a puppet, who as a servant of the United States, has been conspiring to do harm to the fellow countrymen, crying for "cooperation in taking sanctions".

Daily Claims Double Standard on Nuclear Issue

SK1304050894 Pyongyang KCNA in English 0458 GMT 13 Apr 94

["Double Standard Must Not Be Allowed in Nuclear Issue"—KCNA headline]

[Text] Pyongyang, April 13 (KCNA)—Nuclear physicists of South Africa reportedly threatened recently that they would expose data related to nuclear arms development if the government did not pay them retirement allowances, and disclosed that research facilities had been provided by France and Britain.

The nuclear arms development of Israel which has close relations with South Africa in this respect has been assisted by the United States. The U.S. is also cooperating in South Korea's nuclear arms development.

NODONG SINMUN today views these facts as an eloquent proof of the United States, France and Britain being the masterminds of international proliferation of nuclear weapons.

The news analyst says:

It is noteworthy that these countries and the International Atomic Energy Agency [IAEA] are applying a double standard in nuclear inspection.

While turning an unseeing eye to South Africa, Japan and South Korea dangerously playing with nuclear material under the patronage of the United States, the IAEA is unreasonably taking issue with the DPRK in its peaceful nuclear activities.

The recent publication of a "statement of the president" of the U.N. Security Council unreasonably urging the DPRK to accept additional inspections by the IAEA is a graphic expression of the double standard policy in the nuclear issue. This shows the U.N. Security Council is playing into the hands of the United States in the execution of its hostile policy of stifling the DPRK.

Lack of impartiality and random application of a double standard in the nuclear issue are attributable to the arbitrariness of the United States, France and Britain, masterminds of the international proliferation of nuclear weapons, in the U.N. Security Council. It is abnormal that the countries that deserve sanctions are left alone and pressure is put on an innocent country.

If the U.N. Security Council really has the intention to discharge its mission, it must take issue with the United States, which is obstructing the settlement of the nuclear issue and gravely threatening peace and security on the Korean peninsula with huge nuclear weapons, and the South Korean authorities, its servant.

If the U.N. Security Council and the IAEA serve as tools for military and political purposes of a nuclear power, applying a double standard, the non-nuclear states and the Third World countries will no longer trust these international organisations.

The double standard must no longer be allowed in the nuclear issue.

U.S. Deployment of 'Warplanes' to ROK Reported
SK1304045394 Pyongyang KCNA in English 0443
GMT 13 Apr 94

["Warplanes Deployed in South Korea by U.S. imperialists"—KCNA headline]

[Text] Pyongyang, April 13 (KCNA)—The U.S. imperialists committed a criminal act by bringing 20 odd warplanes of various types to South Korea from their overseas bases, according to military sources.

On the 11th of April Japan-based formations of assault planes and pursuit-assault planes flew to the U.S. Airforce bases in South Korea. Earlier, on the 10th, F-15s, F-4s, FA-18s, AV-8s, EA-6s and other types of warplanes based in Japan and the Pacific were deployed in South Korea.

In another development, on April 10 and 11, C-5 super-colossal strategic transport planes and C-130 and C-141 transport planes loaded with a large number of troops and combat equipment landed in a U.S. Airforce base in South Korea from the U.S. mainland and Pacific bases and the airlifted troops and equipment were deployed in operational theatres.

The Korean people and People's Army are watching with sharp vigilance the war preparations of the U.S. imperialists and the South Korean puppets. They will mete out a stern punishment to the enemy, if he ventures aggression.

Japan's 'Criminal Past' Reiterated

SK1304113994 Pyongyang KCNA in English 1122
GMT 13 Apr 94

["Japan Cannot Shake Off 'Enemy State' Brand"—KCNA headline]

[Text] Pyongyang, April 13 (KCNA)—Shunji Maruyama, deputy permanent representative of Japan to the United Nations, reportedly told a recent meeting of a working group that the provision of the U.N. charter specifying Japan as an "enemy state" was outdated and it must be deleted.

His unreasonable assertion is an insult to the U.N. Charter and a mockery of unbiased public opinion critical of the past crimes of Japan.

However angrily Japan may grumble, pointing its finger at the United Nations as now, in an attempt to cleanse itself of the disgraceful brand of "enemy state" specified in the U.N. charter, it is no wise way of solving the problem.

If the problem is to be solved, Japan must liquidate its shameful past, first of all. Japan's past is spoiled with never-to-be-condoned crimes; it is a war criminal state in World War II and imposed all sorts of misfortunes and sufferings on the Korean and other Asian peoples.

It is the height of effrontery for Japan to attempt to delete the brand of "enemy state" while keeping mum about its criminal past.

Striking out the brand of "enemy state" is out of question today when Japan, forgetful of the lesson on the past, is hastening its nuclear armament and its conversion into a military power in real earnest to realise its old dream of "the greater East Asia Co-Prosperity Sphere" and thus hindering the denuclearisation of the Korean

peninsula and the establishment of a nuclear weapon-free world and posing a great threat to the Korean and other Asian peoples.

'White Paper' Condemns Japan Nuclear Armament

SK1304062894 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 11 Apr 94

[**'White paper'** published by DPRK Foreign Ministry on 11 April in Pyongyang]

[Text] The Monju, the first fast breeder reactor of Japan, was put into normal operation on 5 April, in defiance of bitter denunciation and concern worldwide. This means a dangerous step in Japan's nuclear armament.

Japan's nuclear armament has reached the danger point today. This is an open challenge to the denuclearization of the Korean peninsula and desire of mankind to build a nuclear-free world, and is a question of which the international community must take a serious view.

Recognizing that it is necessary to inform governments, parliaments, political parties, and public organizations in many nations, international organizations, and peace-loving people of the world, of the dangerous nature of Japan's nuclear armament, and to urgently block it, the DPRK Foreign Ministry publishes this white paper.

1. Japan has been seeking its nuclear armament a long time.

Japan's ambition for nuclear armament has been fully revealed by remarks of successive Japanese authorities and official documents.

Article 9 of the Constitution of the State of Japan (Peace Constitution), which was adopted in November 1946 under strong internal and external demand and pressure, stipulates that the Japanese people, sincerely aspiring international peace based on justice and order, shall abandon forever all war, armed threat, and armed action through the invocation of state power as a means of resolving international disputes. To this end, they shall not have an Army, Navy, Air Force and other war potential and will not recognize the right of belligerency of the state.

The successive Japanese authorities, however, urged by the desire to turn the country into a military power, a nuclear power, have tried by hook or by crook to justify their nuclear armament scheme since the 1950's, totally denying or arbitrarily interpreting the Constitution itself.

On 7 May 1957, then prime minister of Japan, Kishi, said at the Budget Committee of the House of Councillors that if anyone simply mentions nuclear weapon, all people say it contravenes the Constitution. Such an interpretation of the Constitution, however, is wrong. Without looking into future development, we cannot say uniformly that it is wrong to mention any kind of nuclear

weapon. (Japanese book "Japan's Nuclear Arming Which Has Reached This Stage," 1975)

The document entitled "The Military Outline of the Second Defense Capabilities Adjustment Plan" prepared by the secretariat of the Joint Chiefs of Staff of Japan Self-Defense Forces in 1959 stipulates that from the military point of view, Japan should have the capability to use tactical nuclear weapons for defensive purposes, not to mention its capabilities to cope with a nuclear war. (The above-mentioned book)

On 10 February 1968, Takatsuki, minister of Legislation of the Japanese Cabinet, said at the Budget Committee of the House of Councillors that the Constitution does not stipulate that we should not possess nuclear weapons and we may possess conventional weapons. Although the Constitution rules that we cannot possess war potential, the Self-Defense Forces exist based on the Self-Defense Forces Law.

The interpretation that the Self-Defense Forces are approved [yongin] in accordance with the Constitution is the very interpretation of weapons. In other words, nuclear weapons and other weapons are not discriminated against in the Constitution. (The above-mentioned book)

On 7 February 1968, Kurai, then Japanese minister of Agriculture, said in a news conference that the Peace Constitution should be revised for the young generations and Japan should have atomic bombs, as well as 300,000 troops in its Armed Forces. (The above-mentioned book)

The Japanese authorities' wild design for nuclear armament was dealt a hard blow by the movement to ban atomic and hydrogen bombs, which has gained strength within and without Japan since the 1950's. This compelled then Japanese Prime Minister Eisaku Sato, quite upset, to announce at the Diet in 1968 the three non-nuclear principles—not to manufacture, possess, and introduce any nuclear weapons.

For this announcement, he was awarded the Nobel Peace Prize.

On 2 June 1969, however, Sato said at a plenary session of the House of Representatives that the three non-nuclear principles can be altered any time when the policy is changed or the cabinet is replaced by another (the above-mentioned book), making it plain that these principles advocated by him were rhetoric to deceive public opinion at home and abroad.

A document entitled "Independent National Defense Plan," prepared by the Japan Defense Agency in 1969, revealed Japan's intent to develop and possess its own nuclear weapons and intercontinental ballistic missiles to carry them. (Japanese paper ASAHI EVENING NEWS, 27 June 1969)

The Japan Defense Agency's 1970 defense white paper noted: According to the law governing the application of laws, it is possible to possess the minimum quantity of

small nuclear weapons needed for self-defense if they do not pose any threat of aggression to other countries. (Japanese book "Japan's Black Star," 1972)

In 1971, when Japan's nuclear energy development was stepping up in a full scale, while announcing the fourth plan for rounding off the national defense capabilities, the director general of the Japan Defense Agency, Nakasone, said that the Japanese law did not forbid defensive nuclear weapons. (JIJI press, 8 July 1971)

On 2 March 1978, Japanese Foreign Minister Sonoda said at the Foreign Affairs Committee of the House of Representatives that he did not mean to say that Japan could not possess nuclear weapons because it was restricted by the provision of the Constitution itself. (JIJI press, 2 March 1978)

On 8 March 1978, Japanese Prime Minister Fukuda, said at the Budget Committee of the House of Councilors that it was possible to adopt a decision on equipping the nation's armed forces with nuclear weapons. (TASS news agency, 26 March 1978)

While expressing the government's coordinated view on relations between the possession of nuclear weapons and Article 9 of the Constitution at the Budget Committee of the House of Councilors on 9 March 1978, the Japanese Government said: Retaining combat strength within the minimum scope needed for self-defense is not forbidden by Article 9, Clause 2 of the Constitution. The government interprets that possessing nuclear weapons or ordinary weapons within that scope is not forbidden by this clause, either. (JIJI press, 9 March 1978)

At the Budget Committee of the House of Councilors on 15 March 1984, Japanese Prime Minister Nakasone, answering an interpellation by a Komei Dietman, said: Japan may possess atomic power if it is for national defense. (Japanese ASAHI SHIMBUN, 16 March 1984)

On 4 June 1984, Nakasone rejected the opposition party's demand that one more principle on prohibiting the use of nuclear weapons be added to the three principles on denuclearization, saying that this issue can cause an international law problem because Japan's adoption of the principle on prohibiting the use of nuclear weapons may infringe upon the sovereignty of nuclear states. (KYODO press, 5 June 1984)

Entering the nineties, the Japanese authorities, mentioning the changed international situation, have openly revealed their scheme to step up their nuclear armament at the final stage.

In an interview with commentator (Tawara Shoiziro) before his assumption of office, Japanese Prime Minister Miyazawa, said: In my opinion, the most economic way of military preparations for a country like Japan is nuclear armament, which is technologically possible, and for which we have no financial difficulty. (Japanese magazine CHUO KORON, September 1991)

The Japanese Government has created deliberate obstacles [inwuijogin nangwanul chosonghae odaga] to the progress of DPRK-Japan Government-level talks on normalizing diplomatic relations by raising the so-called nuclear suspicion issue of the DPRK as a precondition, and it finally broke the talks in November 1992.

When the DPRK and the United States began to hold dialogue to resolve the nuclear issue on the Korean peninsula through negotiations, the Japanese authorities expressed more clearly their intent to step up their own nuclear armament under the pretext of our nuclear issue.

In a news conference held in Singapore in July 1993, Japanese Foreign Minister Muto said: If North Korea develops nuclear weapons and this posed a threat, we can depend upon the U.S. nuclear umbrella. It is important, however, that we have the will to manufacture nuclear weapons if North Korea develops them in a full scale. (AP news agency, 11 September 1993)

Japanese Foreign Minister Muto said it is important that we have the will to manufacture nuclear weapons. In a ceremony marking the anniversary of the founding of the Japanese Foreign Ministry, the foreign minister said that although Japan was placed under the U.S. nuclear umbrella over the past years, it needs a self-defensive capability under the present situation in which Moscow and Washington are cooperating with each other. (KYODO News Agency, 21 July 1993).

Yosihuni, Japanese Foreign Ministry authority in charge of nuclear affairs, said on 9 July 1993: If North Korea possesses nuclear weapons, there will be a number of opinions among the public regarding the means to deal with such situations. However, this will weaken our commitment to the Nuclear Nonproliferation Treaty. (U.S. paper WASHINGTON POST, 22 November 1993)

Referring to the need to build up defensive capabilities to promptly and accurately cope with the possible dangerous events in neighboring countries, such as nuclear suspicion and missile development by the DPRK, in particular, Japan has recently attempted to formulate within this year new general principles of the defense program reflecting the end of the Cold War and domestic situation.

Japan has openly manifested its plan to arm itself with nuclear weapons even on UN forums. Until the first half of the sixties, the Japanese Government, though reluctantly, voted for resolutions on the prohibition of the use of nuclear weapons and bar on nuclear weapons at the UN General Assembly. From the second half of the sixties, however, it voted against or abstained from voting on such resolutions, thus disclosing its intention to become a military power, a nuclear power, at any cost by making haste with nuclear development at full scale and producing and stockpiling nuclear weapons.

At the 22d session of the UN General Assembly in 1967, the 27th session of the UN General Assembly in 1972,

the 31st session of the UN General Assembly in 1976, the 32d session of the UN General Assembly in 1977, the 33th session of the UN General Assembly in 1978, the 34th session of the UN General Assembly in 1979, and the 35th session of the UN General Assembly in 1980, the Japanese Government abstained from voting on the resolutions on reviewing the treaty to ban nuclear weapons; on the permanent ban of nuclear weapons; on guaranteeing the security of the non-nuclear possessing countries; and on prohibiting all nuclear weapons from being tested or exploded. Also, it has voted against the resolution on prohibiting nuclear weapon deployment and on prohibiting the use of nuclear weapons. (Japan's magazine CHUO KORON, March 1982)

At the 37th session of the UN General Assembly in 1982, the 40th session of the UN General Assembly in 1985, the 41th session of the UN General Assembly in 1986, the 42d session of the UN General Assembly in 1987, the 43th session of the UN General Assembly in 1988, the 44th session of the UN General Assembly in 1989, the 45th session of the UN General Assembly in 1990, and the 47th session of the UN General Assembly in 1992, the Japanese Government also voted against or abstained from voting on resolutions on the banning the use of nuclear weapons; on banning nuclear weapons; on the prevention of nuclear war; on banning nuclear weapon deployment into the territory of the nonnuclear possessing countries; on the strengthening of the security of nonnuclear possessing countries to cope with the use of nuclear weapons by the nuclear possessing countries or their threat to use them; on the freezing of nuclear weapons; on the prevention of nuclear war; on South Africa's nuclear capability; and on Israel's nuclear armaments. (UN General Assembly Resolutions written in English, 1993)

Explaining the reason why the Japanese Government voted against or abstained from voting on those resolutions, it said: A total ban on the use of nuclear weapons is incompatible with nuclear deterrent and it might destroy the nuclear equilibrium. However, in reality, this was an open and undisguised revelation on the UN arena of Japan's ulterior intention to produce and possess nuclear weapons and pave the way for overseas aggression so that it could use them in case of emergency.

Thus, since the fifties to date, Japan has plotted to adopt its nuclear armaments as a policy and to legalize it under the veil of three nonnuclear principles, opposing and distorting the Peace Constitution.

2. Japan's nuclear armament has reached the danger line. Japan's nuclear policy is being promoted in two directions, that is, solving the problem of power by nuclear energy and, at the same time, securing a large quantity of plutonium for the manufacture of nuclear weapons by itself to proceed with nuclear armament at any moment.

In 1956, the Japanese Government established, under the Science and Technology Agency, a division that controls and commands the atomic energy sector in a

unified manner. It also established, under the division, such permanent offices as an atomic energy committee, an atomic energy institute, an atomic energy business association, and an atomic energy corporation. Since then, the Japanese Government has positively pursued atomic energy development.

The first nuclear power station was built and went into operation in Japan in July 1966. Since then, the Japanese Government has considered the construction of nuclear power stations to be an important state policy to solve the energy problem.

The Japanese Government mapped out a 10-year plan to take comprehensive measures concerning energy in an effort to overcome the worldwide oil crisis of 1973 and accelerated nuclear development in earnest.

All of these were in fact a means for Japan to arm itself with nuclear weapons.

According to the director of the High Center of Social Sciences of France, in 1976, the United States made such special concessions to Japan as approving its civilian [minsuyong] nuclear development and promising it a continued supply of highly enriched uranium under a far looser inspection system than other allies in reward for Japan's ratification of the Nuclear Nonproliferation Treaty.

As a result, Japan has been able to freely reprocess nuclear materials and develop advanced technologies for its rearmament. (Radio France Culture, 5 November, 1993).

Japan has already installed enough nuclear facilities to arm itself with nuclear weapons.

At the beginning, the United States, with a view to control Japan's nuclear development, sold to it only light-water reactors feeding on U.S.-made enriched uranium and prohibited it from developing other types of atomic reactors.

Under this condition, Japan developed a new-type converter [jonhwanno] mainly feeding on Canadian natural uranium with an investment of \$404 million. This converter was built in Tsuruga, Fukui Prefecture, and has been in full operation since 1979. (Japanese book "Imidas" 1992)

In this way, Japan has gained relative independence in nuclear development, freeing itself from U.S. control.

According to the white paper on nuclear energy published by the Japanese Government in 1993, Japan has 16 nuclear power stations with 46 reactors in operation, which are capable of producing 37,360,000 kw of energy. This means that Japan ranks third in the world after the United States and France in the total designed capacity of nuclear facilities [haeksolbiui chongsoolge nungnyok].

The year 1993 alone witnessed the commissioning of 12 new reactors [panungno], and nine units of facilities with

a total capacity of 8.9 million kw are under construction. In all this, Japan annually uses some 3,000 tonnes of nuclear materials of various sorts.

Japan may become a dangerous nuclear power with its capacity of nuclear weapon production largely expanded when 10 nuclear power stations, one fast breeder reactor, one uranium enrichment plant, and one low-intensity radioactive waste storage, all of which are now under construction, and four nuclear power stations, including one new-type converter, one reprocessing plant, and one high-intensity radioactive waste storage, all of which are now projected, are put into operation. (Japanese book "Imidas," 1992).

Japan started the construction of the world's largest nuclear fuel reprocessing plant, the first such plant in Japan, in April 1993 in Rokashomura, Aomori Prefecture. The plant is scheduled to be in operation in the year 2000. The plant will have an annual capacity to reprocess 800 tonnes of nuclear waste, 60 percent of the total amount of nuclear waste in Japan and can extract five tonnes a year of plutonium known to be the most toxic. (KYODO news service 28 April 1993)

Japan has secured enough nuclear materials to arm itself with nuclear weapons.

Japan set itself a long-range goal of depending upon fast breeder reactors feeding on plutonium in the fifties when it started the development of atomic energy and has produced and stockpiled a large quantity of nuclear materials by operating reprocessing plants since the mid seventies.

Japan has stockpiled 26 tonnes of plutonium which surpasses by far the quantity needed for peaceful purposes. It is enough to manufacture more than 3,000 atomic bombs of the Nagasaki type. (Japanese magazine BUNGEI SHUNJU, June 1992).

Japan buckled down to the implementation of its great program for the use of plutonium at the beginning of 1992. In the period from 1975 to 1992, it brought in one tonne of plutonium from Britain in top secrecy and reportedly shipped in 1.5 tonnes of plutonium from France in 1993. Japan mapped out a plan to fully operate the Monju, a fast breeder reactor, from the year 2000 and to secure about 400 tonnes of plutonium by 2010. (Russian paper, KOMSOMOLSKAYA PRAVDA, 13 February 1992)

Considering the fact that 120 atomic bombs of Nagasaki type can be made with one tonne of plutonium, 48,000 atomic bombs could be manufactured with 400 tonnes of plutonium. This is a colossal amount enough to blow off numerous planets, such as the earth, in an instant. What offers particular problem is that Japan plans to secure about 100 tonnes of plutonium by the year 2010, though the amount of plutonium actually needed by Japan is estimated at 85 tonnes. (KYODO news service, 5 October 1992).

This means that, by 2010, Japan will store 15 more tonnes of plutonium than the needed for peaceful purposes, enough to manufacture some 2,000 nuclear bombs. Therefore, Japan's claim that it has stockpiled an appropriate amount of plutonium for economic development can never be justified.

A latest report on the nonproliferation of nuclear materials including plutonium, which an influential advisory agency worked out, entrusted by the U.S. Defense Department, expressed deep concern over Japan's nuclear armament and said Japan should be urged to fundamentally reexamine its nuclear policy, demanding a stop to the project of the demonstration reactor for a fast breeder reactor.

Urging Japan to reduce the scale of the construction of nuclear power stations with 12 reactors feeding on plutonium planned to be completed by the year 2005 and stop the construction of a new-type demonstration reactor following the Monju and the construction of the reprocessing plant No. 2 in Rokashomura, Aomori Prefecture, the report said potential fear of Japan's nuclear arming is sprouting within the U.S. Government. (Japanese paper MAINICHI SHIMBUN, 19 November 1993).

Voice of America on 6 April 1994 said that the commissioning of a fast breeder reactor in Japan is arousing serious apprehensions and uneasiness in European countries and the United States, to say nothing of its neighboring nations, and it is foreseen that it would give a greater shock to the acute nuclear issue. This indicates that Japan might become one of the largest nuclear states in the near future, the radio added.

Japan possesses modern means of nuclear delivery.

The so-called Self-Reliant Defense Program worked out by the Japanese Defense Agency in 1969 makes it plain that Japan would continue to develop and possess domestic nuclear weapons and ballistic missiles for their delivery. (Japanese paper ASAHI EVENING NEWS, 27 June 1969).

Japan's system of launching nuclear warheads was already established during the Third Program of Readjustment of the Defense Capacities from 1967 to 1971. The Japanese Defense Agency completed the domestic production of cruise missiles in 1985 in cooperation with the Mitsubishi Heavy Industries and other companies.

This cruise missile is a sophisticated guided missile which is available for the delivery of nuclear warheads and conventional warheads.

The Japanese Self-Defense Forces successfully carried out a test launching of a Japanese ground-to-warship missile SSM-1 at the Pacific Missile Center of the U.S. Navy in California in the summer of 1987. (Japanese magazine, SEKAI SEIJI, first semimonthly issue of January 1990).

As of December 1991, Japan possessed 393 155-mm howitzers and 132 203.2-mm howitzers which can fire nuclear warheads. The number of its nuclear-capable planes is on the steady increase.

Japan had secured 145 F-15's, new-type fighter-bombers with an action radius of 1,052 km by 1991. It plans to increase its number to 180-200 by the end of 1994.

It developed a new fighter-bomber FSX by remodeling the F-16 in 1993 and plans to introduce 130 of the model by the year 2000.

On 4 February 1994, Japan successfully launched a new H2-type rocket No. 1, developed entirely by its independent technology, at a space center in Tanegashima, Kagoshima Prefecture. This rocket is capable of launching a two-tonne stationery satellite, almost four times heavier the satellite most rockets of the past were capable of launching. As a result of the successful launch of rocket No. 1, Japan's rocket development technology could equal that of the United States and European countries. (Japan's NHK Broadcasting Station, 4 February 1994)

This H2-type rocket is 50 meters in length and 260 tonnes in weight and can be converted easily into a military use.

The former director of the Atomic Energy Research Center of Rikkyo University, Japan, stated that Japan has been able to make substantial material and technological preparations for manufacturing high-performance nuclear weapons in one month or so. More than 150 companies and over 3,300 factories are involved in the manufacture of nuclear warheads in Japan. In recent years, Japan's investments in this domain have sharply increased from \$1.73 million in 1954 to approximately \$360 million in 1991. (The Indian paper WORUM, 11 March 1994).

In actuality, Japan has built perfect material and technological foundations for the manufacture of nuclear weapons. And, government authorities of Western countries, including the United States, expressed concern over Japan's nuclear armament.

Speaking at the Senate Arms Service Committee on 2 February 1994, in the capacity of defense secretary before being nominated as defense secretary [as heard], U.S. Defense Secretary Perry testified that there is the strong possibility that Japan will pursue possessing nuclear weapons. (Japan's YOMIURI SHIMBUN, 8 February 1994) And, Sam Nunn, chairman of the U.S. Senate Armed Services, said that Japan's antinuclear policy is temporary and can change quickly. (Voice of America, 31 January 1994)

Former Under Secretary of Defense Wolfowitz said that, depending on circumstances, Japan will certainly join the nuclear club because it is fully capable of developing nuclear weapons in terms of technology and money. (Japan's YOMIURI SHIMBUN, 8 February 1994)

The Voice of America reported on 4 February 1994 that the successful launch of the H2-type rocket proves that Japan's space technology could become a major competitor to that of the United States, powerful western European countries, and, in Asia in particular, to China. It also reported that the United States is greatly concerned, despite Japan's outward policy of denuclearization, of Japan's capability to instantaneously [sunshikane], or at the latest, in a few weeks, develop a very large number of the most powerful nuclear shells [haektan], in the event that such a threat was to be raised in the future.

In its report to its government, the British Defense Ministry said that Japan is capable of arming itself with nuclear weapons very quickly and may have already manufactured atomic shells because it has plutonium, electronic devices, and other key bomb-manufacturing elements and technology. (The British newspaper THE SUNDAY TIMES, 30 January 1994)

French Foreign Minister Juppe held talks with Aichi, director general of the Japanese Defense Agency, on 1 April 1994. When Aichi mentioned that the French National Defense White Paper indicated the possibility of Japan possessing nuclear weapons, Juppe said that the National Defense White Paper, pointed out that Japan is technologically capable of developing nuclear weapons after considering the possibilities. He also expressed concern over Japan's nuclear armament. (Japan's NHK Broadcasting Station, 1 April 1994 and the Swedish paper SVENSKA DAGBLADET, 31 January 1994)

Japan has everything needed to manufacture instantly nuclear weapons and has already developed nuclear warheads that are ready to load the necessary amount of plutonium. (Swedish newspaper SVENSKA DAGBLADET, 31 January 1993)

Japan has everything necessary for the development of nuclear weapons. (Swiss paper (LE NOUVEAU QUOTIDIEN), 31 January 1994)

Japan is not only able to easily manufacture nuclear warheads, but is also prepared to turn into a hegemonic state with nuclear weapons, if it makes up its mind to do so. (South Korean magazine WOLGAN CHOSON, November 1991)

Japan's efforts for a nuclear buildup can only be described as the new generation's efforts to hold supremacy over the world. If things remain this way, it will not be long before Japan becomes a nuclear super power and exercises its power by regulating the supply of nuclear materials to other countries. (South Korean newspaper CHUNGANG ILBO, 21 July 1992)

Worldwide media has expressed great concern over Japan's nuclear armament by reporting that Japan's nuclear armament is a major stumbling block to the denuclearization of the Korean peninsula and the rest of the world, and has called for checking and frustrating its attempt.

Paul Leventhal, director of the U.S. Nuclear Control Institute, in a hearing before the Diplomatic Committee [committee name as heard] of the U.S. Senate on 15 January 1992, disclosed that a major stumbling block to the denuclearization of the Korean peninsula is Japan's plan to secure plutonium, and called on the U.S. Government to frustrate its plan.

The International Atomic Energy Agency should inspect plutonium stockpiled by Japan instead of North Korea's military facilities. The United Nations should call the world's attention to Japan's facilities, not North Korea's. Without rectifying the double standard policy applied by the United States and the United Nations, the world's nuclear issue will never be resolved and the world's peace and security will not be guaranteed. (South Korea's MUNHWA BROADCASTING COOPERATION, 16 January 1992 and the Nepalese weekly (TRISTI) 13 May 1994)

Reporting that Japan's nuclear potential threatens not only the Korean people, but also the peoples of Asia and the rest of the world, people who value world peace and security should heighten their vigilance against Japan's nuclear armament and join in the international effort to hinder Japan's nuclear threat. (Indian newspaper (SAM-ACHAR POST), 19 February 1992)

Impeding Japan's attempt to become a militant country and develop its nuclear potential is a desperate demand to protect peace and security of Asia and the rest of the world. (Russian newspaper PATRIOT, 9 July 1992)

If Japan is armed with nuclear weapons, it will pose the most serious and grave threat to the Korean peninsula and, furthermore, it will harass peace and security of Asia and the rest of the world.

With Japan's nuclear armament reaching the dangerous level, the danger of the denuclearization of the Korean peninsula being made meaningless is increasing.

Though Japan is promoting its nuclear armament to the danger point, the United States and other Western countries are turning blind eyes to this and carrying on a hysteric pressure campaign over our fictitious suspected nuclear development. This double standard, in fact, encourages Japan's nuclear armament.

The DPRK Government expresses the belief that the governments, parliaments, political parties, and organizations of all antinuclear and nonnuclear states and international organizations, and peace-loving people of the world will heighten vigilance against the dangerous moves of the Japanese authorities for nuclear armament and make positive contributions to the peace and security of Asia and the world by checking and frustrating them.

[Issued] 11 April 1994, Pyongyang

N-S Envoy Exchange, Inspections Separate Issues
OW1304062594 Tokyo KYODO in English 0607 GMT 13 Apr 94

[Text] New York, April 12 KYODO—The issue of an exchange of special envoys between North and South Korea should be separated from the nuclear issue in North Korea's talks with the United States, a Pyongyang official said Tuesday.

North Korea is "strongly opposed" to making the exchange of envoys a topic in talks with the U.S., he said.

The question of separation of the two issues of inspections of Pyongyang's nuclear facilities and the exchange of envoys is likely to be a main topic during visits to South Korea, China and Japan by U.S. Assistant Secretary of State for Political and Military Affairs Robert Gallucci from Tuesday.

The official described as "incorrect" reports that North Korea notified the U.S. at the end of March that it would permit further inspections of its nuclear facilities if the issue of the special envoys is treated separately.

He denied that separating the issues is enough to guarantee that North Korea will permit continued inspections.

The official said Gallucci's three-nation visit is an attempt to involve Japan and South Korea in what should be a matter for negotiation only between North Korea and the U.S.

The U.S. and South Korea have set the exchange of envoys aimed at laying the basis for a North-South summit, and the international inspections, as preconditions for North Korea-U.S. high level talks.

But North Korea maintains that the U.S. insisted on the conditions under pressure from South Korea.

Washington has spearheaded an international campaign to persuade Pyongyang to accept full inspections by the International Atomic Energy Agency (IAEA) to ensure that its nuclear program is not being used to manufacture an atomic weapons arsenal.

Pyongyang has denied allegations it is seeking to build an atomic bomb, but it refused to permit IAEA inspectors in March to carry out certain tests at a radio chemical laboratory.

Two rounds of high-level talks between Washington and Pyongyang last summer yielded an agreement for the inspections that were held last month.

The IAEA, however, was prevented from completing the inspections and referred the matter to the UN Security Council, which issued a presidential statement on March 31 urging Pyongyang to permit completion of the checks.

Reunification Meeting Drafts Letter to South**South Response Condemned**

*SK1304094794 Pyongyang Korean Central
Broadcasting Network in Korean 0905 GMT 13 Apr 94*

[Text] Our side sent a telephone message to South Korea on 11 April demanding that the South accept in Panmunjom the letter to South Korean authorities, political parties, organizations, individual figures, and overseas compatriots that was adopted at a joint meeting of DPRK Government, political parties, and social organizations.

South Korea, however, showed an unreasonable [ondangchi motan] attitude by saying in a reply telephone message on 12 April that it cannot accept the letter.

As we are not able to hand over to South Korea the letter to South Korean authorities, political parties, organizations, and individual figures because of South Korea's unjust manner [pudanghan chosa], we unavoidably [pudugi] broadcast it [pangsonguro] today.

National Conference Proposed

*SK1304112294 Pyongyang KCNA in English 1113
GMT 13 Apr 94*

[Text] Pyongyang, April 13 (KCNA)—Our side had demanded that the South Korean side accept through Panmunjom the letter to the South Korean authorities, political parties, organizations and individual figures and overseas compatriots which was adopted at a joint meeting of the government, political parties and public organizations of the Democratic People's Republic of Korea on April 11. But, the letter had to be sent through radio today, since it could not be conveyed to the addressees due to the untenable act of the South side.

The letter carries a proposal to convene a national conference in Pyongyang or Seoul around the August 15 National Liberation Day.

If anyone denies the great unity of the nation, pushing into the foreground the differences in ideology, idea and political system even today when the danger of a war, a nuclear war, is hanging over the head of the nation, it would be a heinous crime against the nation in seeking confrontation, war and division, the letter says, and continues:

Out of the desire to carry into practice at an early date "10-point programme of the great unity of the whole nation for the reunification of the country," a common guideline and charter of the nation which would bring unity, peace and reunification to our nation, we courteously propose the convocation of a national conference in Pyongyang or Seoul around August 15, one year before the 50th anniversary of the liberation of the country.

Representatives of the authorities, political parties and organizations and individual figures of the North and the

South and representatives of overseas compatriots, who can represent the will of the whole nation, may participate in the conference with equal qualification, irrespective of differences in political view, religious belief, political affiliation and status, in conformity with its character and purport.

An open-hearted discussion on the questions of peace and reunification of the country, including practical measures for promoting the great unity of the whole nation, may take place at the conference.

If the national conference is convened, people of all strata and figures of various circles of the North and the South would open their hearts to each other and confirm that they are compatriots of the same blood and seek a short cut to reunification in the 90s by promoting great unity and pooling the will and wisdom of the nation, transcending differences in ideology, idea, political view and religious belief.

We think it necessary to form a preparatory committee of the national conference with five delegates each from the North, the South and overseas, in order to ensure the success of the national conference.

The preparatory committee may have its first meeting in Pyongyang or Seoul in May and decide on the date and place of the national conference and its mode and discuss other practical matters arising in the convocation and steering of the conference.

We think it desirable to have bilateral or multilateral contacts between compatriots of the North, the South and overseas for coordinating each other's opinions before the convocation of the historical national conference.

We express the hope that the compatriots in South Korea and overseas will actively respond to our proposal for the convocation of a national conference proceeding from a noble patriotic stand.

Radio Broadcasts Letter

*SK1304113494 Pyongyang Korean Central
Broadcasting Network in Korean 0906 GMT 13 Apr 94*

["Letter" to South Korean authorities, political parties, individual figures, and overseas compatriots adopted at a joint meeting of DPRK Government, political parties, social organizations held in Pyongyang on 11 April]

[Text] The letter to South Korean authorities, political parties, individual figures, and overseas compatriots reads:

Compatriots at home and abroad:

Today, on the occasion of the first anniversary of the publication of the 10-point program of the great unity of the whole nation for the reunification of the fatherland presented by respected and beloved Comrade President Kim Il-song, we held a joint meeting of the republic's

government, political parties, and social organizations to seriously discuss [chinjihage toui] measures for promoting the fatherland's independent and peaceful reunification by thoroughly implementing the 10-point program of the great unity of the whole nation.

We participants in the joint meeting send this letter to South Korean authorities, political parties, individual figures, and overseas compatriots from a sheer desire to jointly open the nation's way [chillo] with the strength of the united 70 million compatriots under the grave situation in which the nation's well-being [annyong] and the country's reunification cause are faced with a severe threat [omjunghi wihyop tanghago innun].

It is the 70 million compatriots' firm will and a solemn request by the national history to realize reunification in the nineties by achieving the great unity of the whole nation.

Today, when the 49th annual layer is being added to the history of national division, what is coming closer to our people is not the reunification of the country, but the danger of war, nuclear war.

War would only bring a disaster to both the North and the South, giving no advantage to either side. It is too late to regard war, which is coming closer to the people, as just a danger, and we have no time to only worry about the situation without doing nothing.

Today's grave situation was derived by the nuclear commotion by outside forces and the bellicose forces following them, and has reached a more dangerous phase because of their worthless maneuver of stepping it up gradually [mumohan kyedansik hwaktac chaektong].

We presented the 10-point program of the great unity of the whole nation, a milestone of reconciliation and unity, in April 1993 to prevent the creation of this situation and have made all sincere efforts to realize the program.

The danger of war, which will make outside forces gain the third party's profit and will result in the ruin of the whole nation, would not have come to our country if the South Korean authorities had responded to [houng] our program of the great national unity and held our hands, their fellow countrymen.

All compatriots cannot forget the bitter historic lesson from illustrious officials of our country who brought the ruin of the country by betraying fellow countrymen to collude with outside forces in the past. The South Korean authorities, however, are going to revive [chae-hyon] the history. This is intolerable.

We must prevent war, a national disaster, in any way. The way to prevent it can be seen only in achieving the great unity of the whole nation. The great unity of the whole nation is indeed the best way [kajang hullyunghan chillo] of the nation, which enables us to break through

today's difficult situation, to maintain peace of the country, and to open the road to the fatherland's reunification.

The 10-point program of great unity of the whole country for national reunification put forward by the respected President Kim Il-song shows such an excellent solution for our fellow countrymen.

With its great tractive force and just and fair nature, the 10-point program of great unity of the whole country is enjoying more active support and sympathy from all Korean compatriots with each passing day.

There is no reason that one cannot support the program today, which is being supported by all Korean compatriots in the North, the South, and overseas, even if one ignored it in the past.

The position toward the 10-point program of great unity of the whole country will be a touchstone distinguishing between unity and confrontation in our country, between peace and war, and between reunification and division.

Today when the danger of war—the nuclear war—is near at hand before the nation, if one denies the great unity of the country by presenting differences in ideologies, ideals, and systems, it will be a grave antinational crime of seeking confrontation, war, and division.

The 10-point program of great unity of the whole country is a common national guideline and chapter which gives unity, peace, and reunification to our people. Proceeding from the desire to achieve this program, we earnestly propose that a national conference be held in Pyongyang or Seoul on the occasion of the 15 August national liberation anniversary this year, one year before its 50th anniversary.

Representatives of the authorities, political parties, and public organizations, as well as individual figures, in the North and the South, who can reflect the will of the whole country in conformity with the nature and purpose of the conference, as well as representatives of overseas compatriots, can participate in the national meeting with equal standings, irrespective of differences in their political views, religion, affiliated organizations, and positions.

The national conference can frankly discuss various issues for the nation's peace and reunification, including practical measures to promote great unity of the whole country.

If the national conference is convened, the people and figures from all walks of life in the North and the South, opening up their hearts, can confirm that they are the same people who share the same blood, and can promote great unity. Thus, they can seek a shortcut for expeditiously achieving reunification in the nineties by uniting the nation's wisdom and will and by transcending differences in ideologies, ideals, political views, and religion.

With a view to successfully ensuring the national conference, we recognize that formation of a preparatory committee for the national conference, made up of five representatives respectively from the North, the South and overseas, is necessary.

The preparatory committee for the national conference can hold its first meeting in Pyongyang or Seoul in May; can decide on the date and place of the national meeting, as well as the method of the meeting; and can discuss other working-level matters concerning convocation and operation of the conference.

We also believe it is good to have bilateral and multilateral contacts between compatriots in the North, the South, and overseas in order to adjust their opinions before convocation of the historic national conference.

We express the hope that the compatriots in the South and overseas will actively respond to our proposal for convening the national conference, which proceeded from a position of lofty patriotism.

[Signed] The joint conference of the government, political parties, and public organizations in the DPRK for expediting the independent and peaceful reunification of the nation by thoroughly accomplishing the 10-point program of great unity of the whole country for national reunification.

[Date] 11 April 1994, Pyongyang

WPK Officials, Ghanaian Delegation Hold Talks

*SK1304045794 Pyongyang KCNA in English 0437
GMT 13 Apr 94*

[Text] Pyongyang, April 13 (KCNA)—Talks between the delegations of the Workers' Party of Korea [WPK] and the National Democratic Congress of Ghana were held here Tuesday.

Present on the Korean side were Politburo member and Secretary of the WPK Central Committee Kye Ung-tae, vice-director of a department of the WPK Central Committee Chi Chae-yong and other officials concerned and on the opposite side were the members of the delegation led by General Secretary of the National Democratic Congress of Ghana Huudu Yahaya.

At the talks the two sides informed each other of the activities of their parties and the situation and exchanged views on further strengthening and developing the friendly and cooperative relations between the two parties and a series of matters of common concern.

The talks proceeded in a friendly atmosphere.

Construction Projects Reported Complete

*SK1304115094 Pyongyang KCNA in English 1052
GMT 13 Apr 94*

[Text] Pyongyang, April 13 (KCNA)—Various construction projects have been completed in Korea on the occasion of the birthday of the great leader President Kim Il-song.

The South Pyongan provincial dental preventive hospital with a total floor space of more than 3,600 square metres is a comprehensive centre of dental diagnosis and treatment which will greatly contribute to promoting the well-being of the people.

The hospital has 15 special sections, including internal treatment, dental surgery, teeth filling and correction sections, and excellent conditions for treatment of in-patients.

The May 18 mine in Songchon has big deposits of good-quality nonferrous metal ores and promising mining conditions. The development of the mine is greatly contributing to increasing the sources of exports.

The newly-built Undok garment factory in Pyongsong with a total floor space of more than 1,700 square metres will annually produce hundreds of thousands of suits of ready-made clothes including those for children's wear, men's and women's clothes.

The Pyongsong embroidery factory will annually produce and export over 3,000 pieces of good-quality fancy works to contribute to the betterment of the people's living.

The Kaechon-Sunchon railway electrification project was completed.

This increased the railway transit capacity 1.8 times, further perfected the unified system of haulage by electric locomotive and provided more convenient traffic conditions for the population.

Speeches at New Delhi Chuche Seminar Reported

*SK1304111094 Pyongyang KCNA in English 1032
GMT 13 Apr 94*

[Text] Pyongyang, April 13 (KCNA)—Political, public and academic figures of different countries took the floor at the international chuche idea seminar on independence, peace and friendship held in New Delhi over April 8-10.

President of the Bangladesh People's League Garib Newaz in his speech titled "Respected leader Comrade Kim Il-song is a great thinker and theoretician who has made an immortal contribution to the development of human thoughts and theories by founding the chuche idea" said the immortal contribution made by respected President Kim Il-song to the development of human thoughts and theories by founding the chuche idea is that

he was the first in history to establish the man-centred outlook on the world showing a scientific way of shaping the destiny of man.

Noting Korea's socialism, an anthropocentric socialism, which was built by the great President Kim Il-song and is guided by dear Comrade Kim Chong-il is now making a long drive, smashing the previously unknown manoeuvrings of the imperialists and reactionaries, he said: "Its secret lies in that the driving force of revolution, an integral whole of the leader, the party and the masses, has been firmly built up and its role enhanced immensely."

Pak Yong-kon, director of the board of the International Institute of the Chuche Idea and chairman of the Association of Korean Social Scientists in Japan, in a speech on the subject "Changes in current international relations and significance of the chuche idea" said the chuche idea helps successfully tide over the confusion, disorder and unrest that have surfaced with changes in international relations after the end of the cold war and establish a new international order based on independence, peace and friendship.

Manik Lal Shrestha, director of the board of the Asian Regional Institute of the Chuche Idea and chief of the Nepal Institute for Chuche Studies, in a speech on the subject "It is a lawful demand for building an independent new society to push ahead with nature-remaking and social transformation together while giving precedence to human remoulding" said the theory of keeping human remoulding ahead of nature-remaking and social transformation as expounded by the chuche idea is the guideline in building a new society whose validity has been verified by the rich experience and practice of the Korean people and whose vitality is being displayed.

Vishwanath, secretary general of the council of "International Kim Il-song Prize" and secretary general of the Chuche Idea Study Society of India, in his speech titled "Great contribution of respected President Kim Il-song to the human cause of independence" said it is a distinguished contribution made by the great President Kim Il-song for the human cause of independence that he has made socialism take deep roots among the masses by combining it with the independent nature of social being, thereby indicating a way along which socialism can make a long drive, unshaken by the anti-socialist manoeuvrings of the imperialists.

Honorary Chairman of the World Peace Council Romesh Chandra spoke on the subject "Inevitability of the downfall of capitalism and victory of socialism." He said the chuche idea of the great his excellency President Kim Il-song will be immortal. "Korea is a worldwide model of the idea that capitalism is destined to ruin and socialism emerges victorious," he stressed.

Prof. and Dr. Juan Carlos Gonzalez Hernandez of the Alcala De Henares University of Spain, in his speech titled "President Kim Il-song's idea of believing in the people as in heaven" said President Kim Il-song adopted

the idea "to believe in the Qooptz as in heaven" as his motto in his young years and founded the chuche idea centred on the masses, thus advancing the philosophy of placing the popular masses on the highest position like heaven and the political belief of deepest worship of the people.

Many other participants including Prof. and Dr. Christoph Pan of University of Innsbruck of Austria; deputy editor-in-chief of the British paper daily AWAZ Keith Bennett; Dr. Sisana Sisan, chairman of the construction committee of the Kayson Phomvihane Museum of Laos; Prof. Nuntana Kapilakanchara of Kasetsart University of Thailand; Mohammad Aslam Nagi, director of the board of the Ijji and lawyer of the Lahore high court of Pakistan; and Dr. Edmond Jouve, vice-director general of the Ijji and president of the European Society for the Study of the Chuche Idea made speeches on various subjects including "How the present era should be evaluated?", "Full support and solidarity to the Korean people's struggle for the country's reunification", "His excellency President Kim Il-song is the great leader of the cause of independence" and "Independence, peace and friendship based on chuche idea is most correct idea of our time".

Former Foreign Government Leaders Begin Visit
SK1204215794 Pyongyang KCNA in English 1520
GMT 12 Apr 94

[Text] Pyongyang, April 12 (KCNA)—A Pyongyang-visiting group of former heads of state and government and politicians of different countries led by ex-president of Costa Rica Rodrigo Carazo arrived here today at the invitation of the Reunification Policy Committee of the Supreme People's Assembly of the Democratic People's Republic of Korea.

The group consists of former Governor-General of Canada Edward Schreyer, former Prime Minister of Egypt Aziz Sidky, former Chief of Staff of the Armed Forces of France, member of the European Parliament and Chairman of the Union of Independentists General of the Army Jeannou Lacaze, former member of the parliament of France and member of the European Parliament Pierro Ceyrac, Senior Vice-President of the Center for Strategic and International Studies of the United States William Taylor, Senior Vice-President of the CNN International Eason Jordan, Executive Director of the Summit Council for World Peace Antonio Betancourt, Director of Research of the Summit Council for World Peace Mark P. Barry, former Senior Advisor to the Assistant Secretary of State for Human Rights of the United States James Zumwalt, Managing Editor of THE WASHINGTON TIMES Josette Shiner, Executive Director of WASHINGTON TIMES photo agency Victoria Yokota, President of the Summit Council for World Strategy of Japan Hirogatsu Ota, Vice-President of the Summit Council for World Strategy of Japan Takayoshi Togashi, and other members.

The group was met at the airport by Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea and chairman of the Reunification Policy Committee of the SPA; Yi Chong-hyok, senior councillor of the Reunification Policy Committee of the SPA; Song Ho-kyong, vice-minister of foreign affairs and director of the Disarmament and Peace Institute of the DPRK; O Mun-han, vice-chairman of the Society for Cultural Relations with Foreign Countries; and other officials concerned.

SPA Committee Fetes Former Foreign Leaders

*SK1304063094 Pyongyang KCNA in English 0519
GMT 13 Apr 94*

[Text] Pyongyang, April 13 (KCNA)—The Reunification Policy Committee of the Supreme People's Assembly (SPA) hosted a banquet at the Mansudae Assembly Hall Tuesday evening in honor of a Pyongyang-visiting group of former heads of state and government and politicians from different countries.

The group is led by Rodrigo Carazo Odio, ex-president of Costa Rica.

Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea and chairman of the Reunification Policy Committee of the Supreme People's Assembly, in his address said:

The Korean visit of the group will mark an occasion in deepening understanding and trust between us and strengthening cooperation in attaining the common aim and idea of peace and friendship among peoples.

"In this sense we are deeply grateful to you for visiting our country by making a long detour after you failed to realise your desire to visit Pyongyang through Panmunjom owing to the obstructions of the South Korean authorities some time ago."

Declaring that the situation of Korea is very good, he said:

"Under the new economic strategy advanced by respected Comrade Kim Chong-il, the dear leader of our party and people, our whole country is astir with peaceful construction and our people are effecting fresh innovations in the efforts for the prosperity and development of the country, full of hope and confidence.

"We are making every possible effort to reunify the country independently and in a peaceful way by achieving the great unity of the whole nation in accordance with the 10-point programme of the great unity of the whole nation for the reunification of the country put forward by the great leader Comrade Kim Il-song.

"Availing myself of this opportunity, I express regard to you for your sympathy and support for the just efforts of our people for the peace and reunification of the Korean peninsula.

"You, envoys of peace, had made a difficult trip here with feelings of friendship toward us. But this will not be a fruitless trip and its road will be broadened in the future.

"We will make joint efforts with you to bring earlier the day when all the countries and peoples would live an equal and harmonious life as members of the international community in an independent, peaceful world free from aggression and war, domination and subjugation."

Then followed the speech by former Governor-general of Canada Edward Schreyer.

Expressing the belief that the knotty problems on the globe would be smoothly solved in a peaceful way, and said the summit council for world peace is striving for peace against aggression and war.

He said the group's Korean visit is part of the effort to get the problems existing in the world resolved in a peaceful way by intellect.

Cambodian Embassy Officials Visit Mangyongdae

*SK1304115294 Pyongyang KCNA in English 1054
GMT 13 Apr 94*

[Text] Pyongyang, April 13 (KCNA)—Officials of the Cambodian Embassy here visited Mangyongdae Tuesday on the occasion of April 15.

Hearing an explanation about the glorious and brilliant revolutionary history and revolutionary family of the great leader President Kim Il-song at the old home of Mangyongdae, the guests saw round historical mementoes.

Then they went round the historical relics and the revolutionary museum.

Leau Bonna, minister-councillor of the embassy, said the deep love of the great his excellency Generalissimo Kim Il-song for the people and the achievements in Korea originated from Mangyongdae.

Military Attaches Visit Mangyongdae

*SK1304104494 Pyongyang KCNA in English 1001
GMT 13 Apr 94*

[Text] Pyongyang, April 13 (KCNA)—Military attaches of foreign embassies here visited Mangyongdae Tuesday on the occasion of the 15th of April.

The military attaches were briefed on the immortal revolutionary history of the great leader President Kim Il-song and his revolutionary family, while looking round the relics at his old home and visited the Mangyongdae revolutionary museum.

They planted trees in memory of their visit to Mangyongdae.

After the visit, doyen of the military attaches corps Georgy Mariyasov, military attache of the Russian Embassy, said that Mangyongdae was a significant place where the Korean revolution originated and the proud traditions of the Korean revolution began to be established.

Saying that the 15th of April is an auspicious holiday for the Korean people as well as for them, he added: We warmly congratulate the Korean people on the birthday of the great leader of the Korean people Comrade Kim Il-song.

'Reverence' for Kim Il-song Reported in South
SK1304104694 Pyongyang KCNA in English 1006 GMT 13 Apr 94

[Text] Pyongyang, April 13 (KCNA)—Feelings of reverence for the great leader President Kim Il-song are growing deeper among the South Korean people on the occasion of his birthday.

A professor surnamed Choe at Seoul National University told his colleagues that his feelings of attachment to President Kim Il-song grow more intense whenever the significant April 15 comes.

He said:

"Reverence for President Kim Il-song is a cherished unanimous feeling not only of our intellectuals but of other strata of people.

"He is a peerless patriot and the benevolent sun of our nation who has heralded the epoch of our nation's cause of independence and takes a warm care of our people.

"It is an obligation of our nation, therefore, to celebrate the 15th of April as the greatest auspicious holiday of the nation and deeply respect him."

An old man residing in Seoul said to his family:

"The birth of General Kim Il-song marked the beginning of the rebirth of the lost three thousand-ri homeland and our nation has since come to shed bright rays in the east with eternal vitality as a dignified nation.

"His birth was not only a great auspicious event for our nation but an honour of mankind."

A designer surnamed Kim in Chongro district, Seoul, told his colleagues:

"The general is, indeed, a legendary hero of the anti-Japanese war and the benefactor of the national rebirth who saved our country from the national ruin.

"Since we have the general, our country will surely be reunified, and the day will surely come when our people will live under his administration."

Kim Chong-il's Military Leadership Praised

SK1204112394 Pyongyang Korean Central Broadcasting Network in Korean 1000 GMT 9 Apr 94KCNA

[Unattributed talk: "Our People's Army and People Who Are Upholding the Great Commander Are Ever-Victorious"]

[Text] Today, in an exciting [pokchan] environment in which our people are resolutely defending socialism and further glorifying it despite the vicious challenge from the imperialists and reactionaries, our people are meaningfully marking the first anniversary of the election of the dear leader Comrade Kim Chong-il, supreme commander of the Korean People's Army (KPA), as chairman of the DPRK National Defense Committee.

During the fifth session of the Ninth Supreme People's Assembly of the DPRK President Kim Il-song in April of last year elected KPA Supreme Commander Comrade Kim Chong-il as chairman of the National Defense Committee. This was the realization of the unanimous desire of all officers and men of the KPA and people and a meaningful event of great importance in building our revolutionary Armed Forces and carrying out the chuche revolutionary cause.

On this felicitous anniversary of the day when the dear leader Comrade Kim Chong-il was upheld at the top of the revolutionary Armed Forces, our People's Army and people are filled with great revolutionary pride in living and fighting while upholding the ever-victorious iron-willed commander.

Today our People's Army is a one-a-match-for-100 revolutionary Army more strongly than ever prepared politically, ideologically, militarily, and technologically. It is excellently carrying out its honorable mission as an Army of the party, revolution, and people.

Our Army has grown and strengthened into an invincible, powerful Army that can defeat any powerful imperialist enemy, because it upholds a great iron-willed commander.

The great leader Comrade Kim Il-song has taught: Comrade Kim Chong-il has an indomitable will, unparalleled courage, and outstanding resourcefulness, and an outstanding art of military operations. This is a guarantee for the strengthening and development of our revolutionary Armed Forces and their invincibility.

A working class party must have a great commander at the head of its revolutionary Armed Forces if it is to strengthen and develop them into invincible ranks. This is a stark truth proven by the history of the working class's building of revolutionary Armed Forces.

The dear leader Comrade Kim Chong-il, who was upheld as supreme commander of our revolutionary Armed Forces, is a great politician who has literary and military accomplishments and an iron-willed commander who

has outstanding foresights, unparalleled courage, outstanding resourcefulness, and a tested art of military operations and who leads the cause of building a chuche-oriented Army to victory.

The dear comrade leader, who had earlier led the cause of building a chuche-oriented Army, presented a plan to imbue the entire Army with the chuche idea. In this way, he provided a fundamental guideline that helps strengthen and develop the People's Army into the party's revolutionary Armed Forces boundlessly loyal to the chuche revolutionary cause by implementing the chuche-oriented military ideas and theories and tactics.

As required by the task to imbue the entire Army with the chuche idea, all the ranks of the Army have been made ranks of chuche-type revolutionary soldiers; the arms and equipment have been modernized; a chuche-oriented art of military operations has been implemented in military activities; and the chuche-oriented leadership system and method have been established thoroughly. As a result, our People's Army has grown into a chuche-oriented revolutionary Army that takes pride in the fact that it is now an invincible powerful Army.

The supreme commander Comrade Kim Chong-il strengthened and developed our People's Army into an invincible and ever-victorious revolutionary Armed Forces. The sagacity of his leadership lies most of all in leading the work to highly manifest political and ideological superiority.

The revolutionary Army is an army that defeats the enemy through political and ideological superiority. When the soldiers are firmly armed with the revolutionary ideology and have a thorough faith to safeguard the party and the leader, can they fight to the end and be victorious without being afraid of being attacked by any powerful enemy?

The dear comrade leader who always endowed a decisive significance in the political and ideological element turned priority attention to highly manifesting the political and ideological superiority in strengthening the People's Army, and vigorously pushed ahead with it. Therefore, the chuche-oriented ideological system of the whole Army was firmly established, and the work to maintain the People's Army into a true chuche-oriented military rank of the revolutionaries, endlessly loyal to the party and the leader, was actively carried out.

As a result, the political and ideological level of the officers and men of our People's Army was enhanced to a very high stage that cannot be compared with anything else.

Today, the soldiers of our People's Army have a thorough revolutionary outlook on the leader, which they know of no one else but the great leader and the dear comrade leader, and are sacrificing their lives to defend the welfare of the leader [suryongnim] and the comrade

leader, and are unconditionally and thoroughly fulfilling the order of the party and the leader.

Heroes Kim Kwang-chol and Han Yong-chol protected and safeguarded the great leader's and the dear comrade leader's portraits and saved the lives of their comrades in our Army by intercepting with their bodies a hand grenade which was about to blow up. Such loyal fighters are being produced successfully. This is a direct example of how high the ideological and mental level the officers and men of the People's Army have reached.

As our Army advocated and defended with its life the respected and beloved General Kim Il-song by highly calling, "Hurrah for the great Comrade Han Pyol," during the dawn of the Korean revolution, truly, the lofty political and ideological trait which is overflowing in our Army clearly proves that we can always fight resolutely by shouting, "Hurrah for our supreme commander Comrade Kim Chong-il," in whatever violent storm.

The sagacity of the dear comrade leader's leadership who strengthened and developed our People's Army into an invincible and ever-victorious peerless strong Army also lies in firmly preparing the People's Army militarily and technically. Military and technical preparation is one of the important indexes that characterizes the Army's combat strength and might.

Under the condition in which the imperialists have complete expectations for modern weapons and up-to-date military technology, the revolutionary Army must be firmly prepared not only politically and ideologically but also militarily and technically. When the revolutionary Army is possessed with military and technical might, as well as with the political and ideological might, it can become a peerless strong army.

Our supreme commander Comrade Kim Chong-il devoted all his energy and efforts to firmly prepare our revolutionary Armed Forces militarily and technically in accordance with the demand of a modern war. The comrade supreme commander frequently visited the military training sites of the People's Army, and wisely led the soldiers so that all of them can acquire exquisite and superb tactics by strengthening training, deeply discussed ways to achieve infallible marksmanship and on military technology and knowledge in their sectors, and also led them to have an iron-like physical strength.

Along with this, he made it so that armaments of the People's Army were endlessly modernized in accordance with the demand of the chuche-oriented war method and the country's concrete situation, further strengthened each service and branches, and firmly consolidated the outposts of the fatherland into an iron-like fortress. Thus, through such a wise leadership, the military and technical might of our People's Army today has been extraordinarily strengthened.

All officers and men have firmly armed themselves with the comrade supreme commander's unique military ideology, theories, and tactics. The entire Army has been

modernized and turned into an Army of cadres, and all fortresses have been consolidated as impregnable ones. These are important changes that show the might of our Army.

In the course of the struggle to implement the policy of turning the entire Army into an army of cadres and modernizing it, all soldiers have become capable of fulfilling the role of the position one grade or more higher than each one's rank, and military equipment has firmly been prepared in conformity with the demand of modern war and with the country's specific realities. Thus, our People's Army has become a matchless, strong army capable of smashing the enemies with one blow, no matter where they rush in—land, sea, or air.

The wise leadership of the dear comrade leader, who is constantly strengthening our Army's might, is also shown by the fact that he has consolidated the blood linkage between the Army and the people indomitably by embodying our party's ideology of unity between the Army and the people.

The revolutionary Army comes from the people, and it is the People's Army that serves the fatherland and the people. The source of the revolutionary Army's invincible might lies in its blood linkage with the people. Without the people, the People's Army cannot exist, nor can it fulfill its mission as the revolutionary Armed Forces.

Our party's ideology of unity between the Army and the people, which was established during the period of the anti-Japanese struggle and has been developed and enriched by the dear comrade leader, is a chuche-oriented military ideology, with which the Army and the people are defending the fatherland and are vigorously pushing ahead with the socialist construction, united as one.

Considering the general embodiment of the unity between the Army and the people an important principle in building the revolutionary Armed Forces, as well as an essential problem in greatly enhancing the socialism of our own style, the dear comrade leader has wisely led us to brilliantly realize it.

As a result, the great ideology of unity between the Army and the people has fully bloomed in our country. On the road of upholding the comrade supreme commander, the Army and the people have become an invincible, united body inseparably bound to each other. Our People's Army officers and men are the people's genuine sons and daughters who love and fight for the people by devoting their lives, and the people love the People's Army like their own family and actively support and encourage it both materially and morally.

The single-hearted unity between the Army and the people around the dear comrade leader is indeed the source and firm guarantee of the invincibility of our revolutionary Armed Forces.

The dear leader Comrade Kim Chong-il has firmly developed our People's Army into ever-victorious, revolutionary armed ranks which are firmly prepared politically, ideologically, militarily, and technologically, and which are linked with the people in blood. His wise leadership and immortal achievements are indeed the valuable result of his matchless, extraordinary military wisdom, peerless braveness, and excellent tactics of leading the Army.

Thanks to General Kim Chong-il, the sagacious general of sagacious generals [yongjang chungui yongjang], who is wisely leading the cause of chuche Army building with that much outstanding traits, our People's Army and people achieved a great victory in the gunfireless political and military showdown with the enemies [chongpotani nalliji annun choktulgwau chongchi kunsajok taegyolchoneso] last year, and they are now firmly defending socialism while sternly smashing the imperialists and reactionaries' maneuvers to crush us.

It is the greatest honor and happiness for our People's Army and people to uphold General Kim Chong-il, the greatest general ever known, who has personified the wisdom of a sagacious general since youth and has opened the great golden age of building the revolutionary Armed Forces with his extraordinary and seasoned leadership, as the supreme commander of our revolutionary Armed Forces.

We will always keep this honor and pride deep in mind, unite ourselves as one around Supreme Commander Comrade Kim Chong-il, and uphold his leadership by fulfilling our filial and loyal duties. By doing so, we will further strengthen our revolutionary Armed Forces and hasten the completion of the chuche revolutionary cause.

Our People's Army and people who uphold the great iron-willed, sagacious general are invincible, and victory and glory will always be in store for them.

ROK People's 'Pride' in Kim Chong-il Reported

SK1304104894 Pyongyang KCNA in English 1013 GMT 13 Apr 94

[Text] Pyongyang, April 13 (KCNA)—Now, South Korean people deem it a greatest honour and national pride to have the dear leader Comrade Kim Chong-il as chairman of the National Defence Commission [NDC] of the Democratic People's Republic of Korea.

A worker Choe residing in Kwanak district, Seoul, upon hearing the news that Comrade Kim Chong-il was elected chairman of the DPRK Defence National Commission, said: "We workers regard his election as chairman of the National Defence Commission as our supreme honour and extend our sincere congratulations to him.

"It is only too natural that Marshal Kim Chong-il, supreme commander of the Korean People's Army (KPA), who has strengthened the KPA founded by

President Kim Il-sung, a great military genius, into an invincible revolutionary Army, was elected chairman of the National Defence Commission."

Pak Il-chon, a company clerk residing in Yongdungpho District, Seoul, said:

"The dear leader Kim Chong-il is a great military genius with rare wisdom and grit.

"His election as NDC chairman of the DPRK is an expression of unquestioned trust and respect of the people in the North for him.

"Now that he has been elected NDC chairman the North will in the future exalt its might further to the world militarily as well as in political and economic aspects. This is, indeed, a happy event for us people in South Korea who look up to the North as a beacon of hope."

A student Yi Kwang-un at Pusan National University said:

"As it is guided by the dear leader Kim Chong-il, a great statesman and outstanding brilliant commander, the North could demonstrate its might in bold confrontation with the United States which has become the 'only superpower'.

"It is natural that the dear leader, such an outstanding strategist and famous general, was elected chairman of the National Defence Commission.

"I feel reassured when I think that he is protecting the life and destiny not only of the people in the North but of our entire fellow countrymen."

A professor surnamed Kim at Seoul National University said:

"General Kim Chong-il is, indeed, a famous general and distinguished statesman endowed with both literary and military accomplishments to shoulder the future of the nation.

"His election as chairman of the DPRK National Defence Commission is a reflection of the will of the people in the North, an event worthy of special record in the nation's history, a great auspicious event and the highest honour of our nation."

South Korea

IAEA Chief Cited on Need To Inspect DPRK

SK1304085894 Seoul KBS-1 Radio Network in Korean 0800 GMT 13 Apr 94

[From YONHAP, in Tokyo]

[Text] Hans Blix, International Atomic Energy Agency [IAEA] director-general, stressed that an additional inspection of the radiochemical laboratory in Yongbyon, which North Korea has been refusing, is urgent and that

IAEA inspectors should be present at the experimental reactor that has an output of 5,000 kw when its fuel is replaced.

Director-general Blix, now visiting Japan, held a news conference on 13 April and said that as the inspection of the radiochemical laboratory, which is believed to be a facility for extraction of plutonium, was not carried out, it cannot be determined if this facility has been used since February 1993. He pointed out that it will become a very serious problem if this situation continues for a long time.

Director-general Blix revealed that the project for building a second production line in the radiochemical laboratory is presently under way, and that this project will be completed before long.

Director-general Blix stressed that North Korea claimed that the fuel was loaded in the experimental reactor for the first time and that plutonium was not extracted from the fuel used in this reactor. An on-the-spot investigation of the reactor by the inspectors is necessary to verify this claim.

Director-general Blix pointed out that in the event that North Korea continues refusing comprehensive inspection of its nuclear facilities, there is the possibility that the IAEA will demand that the UN Security Council take stronger steps and measures.

Seoul Suggests IAEA Make Offer to DPRK

SK1304004794 Seoul YONHAP in English 0032 GMT 13 Apr 94

[Text] Tokyo, April 13 (YONHAP)—South Korean Foreign Minister Han Sung-chu and the chief of the U.N. nuclear watchdog agreed on the need for further inspections in North Korea at their talks Tuesday. Han stopped off in Tokyo on his way to Moscow to meet with International Atomic Energy Agency (IAEA) Director-general Hans Blix, who is in the Japanese capital to attend a conference.

During the one-hour meeting, the foreign minister reminded Blix of the March 31 U.N. Security Council presidential statement urging all involved nations to engage in dialogue with North Korea, and suggested that the IAEA make the first offer to negotiate with Pyongyang, officials at the South Korean Embassy said.

He proposed that if North Korea still refuses inspections early next month, the IAEA should report Pyongyang's non-compliance based on technical information, the officials said.

IAEA inspectors went to North Korea last month but were denied access to critical areas necessary in determining whether Pyongyang diverted nuclear material for non-peaceful uses.

DPRK: 'Sea of Fire' Remarks Distorted by South

SK1304133894 Seoul KBS-1 Radio Network in Korean 0910 GMT 13 Apr 94

[Text] On 12 April, North Korea claimed that the remarks made by Pak Yong-su, the North Korean delegate to the North-South working-level contact, regarding Seoul becoming a sea of fire during the eighth North-South working contact on 19 March, did not mean that North Korea will start a war, and that the South side created an atmosphere of war by disseminating his remarks after distorting the meaning.

Appearing on a roundtable talk on a Pyongyang broadcasting [Pyongyang Radio Pyongyang in Korean to South Korea] program, Choe Song-ik, director of a department in the Secretariat of the Committee for the Peaceful Reunification of the Fatherland in North Korea, said that Pak Yong-su's remarks meant that if South Korea advances along the road of sanctions and war, all of the Korean peninsula will become a sea of fire and in this event, Song Yong-tae, the South side delegate, could not survive. Thus, Seoul cannot but be reduced to a sea of fire. He stressed that Pak Yong-su's remarks did not mean that North Korea threatened that Seoul will be a sea of fire by starting a war.

A relevant official of the National Unification Board stressed that as the scene was recorded on video through closed circuit cameras, distortion of the remarks regarding Seoul becoming a sea of fire is impossible, and that North Korea's claim is intended to shift the responsibility for the strained situation onto the South.

This official pointed out that the North Korean attempt to evade the responsibility for the remarks was prompted by its realistic judgment that the remarks on Seoul becoming a sea of fire, made as part of high-level psychological warfare, failed to disturb our society and only heightened the hard-line international atmosphere. He interpreted that it is highly likely that North Korea, in the wake of resumption of contact with the United States and the International Atomic Energy Agency, showed such a change in its position as an advance step for the contact.

Meanwhile, some people observed that the appearance of Choe Song-ik, the deputy delegate, on the roundtable talk instead of Pak Yong-su himself to explain the content of his remarks, supports the recent rumor that Pak Yong-su was relegated.

DPRK Official Cited on Reunifying Peacefully

SK1304083194 Seoul YONHAP in English 0745 GMT 13 Apr 94

[Text] Seoul, April 13 (YONHAP)—The vice president of the Center for Strategic and International Studies (CSIS), William Taylor, and some leading figures of U.S. media arrived in Pyongyang Tuesday at the invitation of the Reunification Policy Committee of the Supreme

People's Assembly, North Korea's central broadcasting station reported Wednesday.

Other invitees include CNN Vice President Eason Jordan, WASHINGTON TIMES Managing Editor Josette Shiner and the secretary-general of the Second World Peace Conference sponsored by the Unification Church, Antonio Betancourt.

The Americans were met at the airport by Reunification Panel Chairman Kim Yong-sun, Vice Foreign Minister Song Ho-kyong and the vice chairman of the Korean Committee for Cultural Relations with Foreign Countries, O Mun-han.

Kim told the Americans that the Korean peninsula should be reunified in a peaceful manner best serving the interests of the Korean people.

Taylor previously visited Pyongyang in June 1992 and met with senior North Korean leaders, including Kim Yong-sun.

The Americans are among the guests marking North Korean President Kim Il-sung's 82nd birthday on April 15.

Meanwhile, a CSIS spokesman told a YONHAP correspondent in Washington that Taylor will visit Seoul from April 20-23 via Beijing.

A source well-versed on the CSIS said Taylor is carrying a message from the U.S. Government to North Korea in connection with the current nuclear stalemate.

Dilemma Faced on DPRK Logger Escapees

SK1304040694 Seoul YONHAP in English 0337 GMT 13 Apr 94

[Text] Seoul, April 13 (YONHAP)—The suggestion on helping North Korean escapees from Siberian gulags settle in South Korea is a matter officials here increasingly feel was better left unsaid. Seoul estimates that 12,000 to 15,000 North Koreans are virtually trapped in logging camps across Siberia, 120 to 170 of whom have escaped and are now seeking asylum in South Korea.

Officials here are reluctant to even use the word "asylum" since North Koreans, under South Korea's Constitution, are its people. "Repatriation is probably a more appropriate word," says one Foreign Ministry official.

Russia is said to make about 300 million U.S. dollars from the wood logged at the camps. It gives 100 million dollars worth of wood to North Korea to pay for labor.

Escapees interviewed anonymously described how they and others had been deprived of food, beaten mercilessly and killed when caught trying to break out. A picture showing the chains binding these loggers set off widespread shudders.

Both Seoul and Moscow are aware of rampant human rights violations inside the heavily guarded camps, but they have been unable to find an acceptable solution.

Russia tried to press North Korea to improve conditions at the camps, threatening to cancel the logging contract that was to expire at the end of last year. The failure of negotiations, however, forced Moscow to extend the contract for another six months.

Seoul had quietly tried to help the camp escapees, asking Moscow to issue residential permits and let them settle inside Russia, or look the other way for illegal stayers. But after stories began appearing in the media, North Korea went on guard and warned against any meddling by either Seoul or Moscow. In its latest statement, Pyongyang said it will hold Seoul responsible for "kidnapping" all loggers found missing in the future.

South Korean President Kim Yong-sam, apparently conscious of Northern sensitivities, said last week he does not intend to allow repatriation of North Korean loggers at this point. "The escapees were quietly resettled, some in South Korea. But by bringing them to the public's attention, we ended up making North Korea nervous and forcing it to react," said the Foreign Ministry official.

Even if Seoul boldly decided to accept the loggers, the problem would not go away but actually worsen. More North Koreans would try to settle in South Korea, worsening inter-Korean relations already strained by the nuclear row. Pyongyang could well accuse Seoul of attempting to absorb North Korea under the guise of human rights by taking in all of its people. Then there is the reality that Seoul would have to pay for the living expenses of the escapees if they were brought here. All of the 120 to 170 escapees would have to be properly housed, trained and employed on government money. Officials say it takes at least 10 years for a North Korean to fully adapt to South Korea.

Some North Korean loggers are known criminal offenders, and accepting them would cause social problems, the officials say. Then there is a question of fairness. Seoul knows of an equal number of North Koreans in China hoping to settle in South Korea. Seoul cannot accept the loggers from Siberia while refusing North Koreans from China.

President Orders Study on DPRK Loggers Issue

*SK1304104394 Seoul YONHAP in English 0915 GMT
13 Apr 94*

[Text] Seoul, April 13 (YONHAP)—President Kim Yong-sam ordered a full study Wednesday on Seoul's alternatives in dealing with North Korean loggers fleeing from work camps in Siberia.

Presidential spokesman Chu Ton-sik said Kim instructed Foreign Minister Han Sung-chu to consult with Russian officials on the issue during his visit to Moscow this week.

Over 100 North Koreans have reportedly escaped from logging camps, run by Pyongyang in exchange for labor fees paid in wood, and are seeking resettlement in South Korea.

Spokesman Chu said President Kim previously shelved the issue of North Korean loggers for the time being in an effort to help foster an atmosphere for North Korea's return to the inter-Korean dialogue and their acceptance of nuclear inspection by the International Atomic Energy Agency.

"As North Korea keeps rejecting them, the president gave the instructions to review the issue based on the principle of humanitarianism," Chu said.

On the presidential instructions, the government will examine several ways to extend a helping hand to the North Korean loggers stranded in Russia.

The measures will include granting them asylum in South Korea, allowing only those loggers classified as "non-criminals" to resettle in the South, and having Moscow legally allow them to stay in Russia, a government source said.

"Earlier we refrained from raising the issue of the loggers so as not to offend North Korea. We now believe our restraint has no meaning at this stage when North Korea persists in their intransigence," he said.

Chu said it was from the same approach that the South earlier shelved the deployment of Patriot missiles but now promote their introduction because North Korea continues to reject additional nuclear inspection and boycott the South-North dialogue.

"We will decide on whether to resume the Team Spirit military exercise from the same angle," he added.

Meeting Scheduled for 15 Apr

*SK1304083994 Seoul YONHAP in English 0823 GMT
13 Apr 94*

[Text] Seoul, April 13 (YONHAP)—An intra-governmental meeting is scheduled for Friday to discuss Seoul's options in handling North Korean loggers in Siberia.

Vice Foreign Minister Hong Sun-yong is to lead the meeting that will most likely confirm the general principle of helping escaped loggers settle either in Russia or in South Korea.

Over 100 North Koreans at the logging camps want to come to South Korea but the Seoul government has been extremely careful not to agitate Pyongyang.

Officials said the initial goal will be to safely settle them in Russia by having them recognized as refugees by the U.N. High Commissioner on Refugees (UNHCR).

Friday's meeting will discuss these measures along with action necessary in settling some of the North Korean loggers in South Korea, such as job training, the officials said.

Seoul, PRC Discuss Camp for DPRK Escapees
SK1304014894 Seoul SEOUL SINMUN in Korean 13 April 94 p 1

[YONHAP reports from Beijing]

[Text] It was learned on 12 April that the ROK and PRC Governments are holding discussions on setting up a refugee camp for North Korean residents fleeing to China whose numbers have been soaring lately.

It was also learned that the ROK Government is on tapping China's opinion on setting up the refugee camp to temporarily house the North Korean escapees in China at the initiative of the United Nations High Commissioner Refugees (UNHCR), taking into account China's relations with North Korea.

DPRK Reportedly Pursues Southeast Asia Markets
SK1304144294 Seoul SEOUL SINMUN in Korean 13 Apr 94 p 6

[YONHAP from Tokyo]

[Text] According to Japan's KYODO on 12 April, North Korea has turned its attention to Southeast Asia and the Middle East and is making efforts to explore new markets in these areas.

Citing the Workers' Party of Korea's organ NODONG SINMUN dated 7 April, KYODO reported: In his report delivered at the seventh session of the Ninth Supreme People's Assembly of North Korea held on 6 April, Yi Song-tae, chairman of the External Economic Committee, said, "We should concentrate efforts on exploring markets in Southeast Asia and the Middle East, which are close to our country, and whose trade conditions are favorable to us, to firmly turn these regions into major markets for our country's trade."

KYODO explained: Chairman Yi stressed the need to strengthen relations with these two regions before mentioning trade relations with China, Russia, and former East European countries. This shows that North Korea has made a decision to expand its trade with Southeast Asia and the Middle East as an important strategy after adopting the new "trade-first" economic policy.

Kim Il-song Reportedly Asked Suharto To Mediate

SK1304003694 Seoul YONHAP in English 0016 GMT 13 Apr 94

[Text] Washington, April 12 (YONHAP)—North Korean President Kim Il-song has asked Indonesian President Haji Mohamed Suharto to mediate in the dispute between the United States and its Asian allies and North Korea over international inspection of the latter's nuclear sites, the U.S. weekly magazine DEFENSE NEWS reported in a recent edition. Quoting Japanese Foreign Ministry officials, the magazine said a North Korean diplomat in Jakarta had delivered a letter to Suharto from Kim, hinting Pyongyang would allow further nuclear checks.

The magazine said South Korean Minister of Defense Yi Pyong-tae will visit Washington and Tokyo in late April to discuss the North Korean issue. U.S. Secretary of Defense William Perry is arranging a visit to Tokyo on April 22 for consultations on the nuclear row, the magazine quoted Shigeru Hatakeyama, Japan's administrative vice defense minister, as saying.

PRC's Wu Xueqian Meets Press on DPRK Issue
SK1304074294 Seoul YONHAP in English 0729 GMT 13 Apr 94

[Text] Seoul, April 13 (YONHAP)—The vice chairman of China's Political Consultative Conference, Wu Xueqian, said Wednesday that Beijing respects Pyongyang's independence and has limited influence over its neighbor.

Meeting the press at the Shilla Hotel to wind up his visit here, Wu said the perception that the North Koreans do what the Chinese tell them to "is not true."

"We discuss matters of common interest with the North Koreans as this is of help to both of us, but it is entirely up to each side to take action on the basis of such talks," he added.

Asked about the need for U.N. sanctions against North Korea if it failed to change its policy in spite of the Security Council president's statement on the nuclear dispute, China's one-time foreign minister simply stressed the importance of dialogue. "Nobody can tell how the dispute will develop," he said.

Touching on North Korea's nuclear capability, he said he could not make any judgements because he had no information on its nuclear program.

China and North Korea have maintained a long relationship, and bilateral economic links have developed rapidly despite diplomatic normalization between Beijing and Seoul. Wu said, "We'll keep our relationship with North Korea on the five principles of peaceful co-existence, equality, reciprocity and others."

Asked to comment on the issue of revising Chinese school textbooks describing the Korean war as an invasion by the South, he said, "I don't know much about it because it's not my area of responsibility. When I return home I'll check into it with the Education Ministry and if the need for revision is justified, I'll see to it that the textbooks are revised."

He refrained from commenting on the Northward invasion theory, however.

No pressure or sanctions should be used against Pyongyang to maintain stability and peace on the Korean peninsula, because such action would only worsen the problem, he said.

"President Kim Yong-sam also shares this view," he added. "I hope for increased economic cooperation between China and South Korea as the two economies are mutually complementary."

Asked about North Korean defectors in northeast China, he said, "There may be such North Koreans but I don't think there are many of them in China. As far as I know, they have no influence on Beijing-Pyongyang relations."

Trade Minister's Talks With Kantor Detailed

SK1304072894 Seoul YONHAP in English 0649 GMT 13 Apr 94

[Text] Marrakesh, Morocco, April 13 (YONHAP)—South Korean Trade, Industry and Energy Minister Kim Chol-su met with U.S. Trade Representative [USTR] Mickey Kantor in the Moroccan city of Marrakesh Wednesday to discuss such bilateral issues as opening Korea's motor vehicle market and future use of the feared super 301 provision.

They are among ministers and officials from more than 120 countries here to sign the landmark Uruguay Round accord giving birth to the World Trade Organization [WTO], a more powerful multilateral trade system than the current General Agreement on Tariffs and Trade (GATT).

Kim explained Seoul's position on opening its motor vehicle market and the two men agreed to discuss the matter further at the working level.

Kantor cited examples of Korea's unfair trade practices, taken from the USTR's National Trade Estimate (NTE) released last month, and called for elimination of tax discrimination against foreign cars and psychological prejudice created by labeling them an extravagance.

Kim admitted Kantor had a point, considering that foreign cars account for a meager 0.2 percent of the domestic market, but said more time and intra-governmental coordination are needed to resolve the problem. Noting that discussions were under way on acquisition and special excise tax cuts, he said nothing has been decided yet.

He pointed out that reauthorization of Super 301 ran counter to multilateral rules with the WTO's birth and advised prudence on its application.

The trade minister also detailed Seoul's efforts on intellectual property rights and asked Washington to move Korea to the watch list from its current spot on the priority watch list at this month's screening.

Kantor went further to ask that the tax on dyes and petroleum resin be cut to 6.5 percent from the current 13 percent, while Kim sought a correction in random anti-dumping action on Korean color televisions and oil pipelines.

Earlier in the day, Kim had a breakfast meeting with his Asia-Pacific Economic Cooperation (APEC) counterparts and discussed the date, place and agenda of a trade ministers' meeting slated for this fall. Kantor proposed that the meeting take place in Los Angeles.

Agriculture Cooperation Accord Signed With PRC

SK0904080294 Seoul YONHAP in English 0700 GMT 9 Apr 94

[Text] Seoul, April 9 (YONHAP)—South Korea and China signed a memorandum in Beijing Saturday on agricultural information exchange, cross-visits of experts and other cooperation measures.

Kim Kwang-hui, head of the rural development administration, signed the memorandum of understanding with Wang Lianzheng, president of the Academy of Agricultural Sciences in China, as one of the follow-up measures to the agreement at last November's Science-technology Cooperation Committee meeting, officials here said.

Seoul and Beijing will establish systematic ways of exchanging farming technology as well as latest information on rural science. Officials said they especially hope for access to wide range of China's rich variant agricultural products.

Official on Russian Loan Problem's Solution

SK1304041794 Seoul YONHAP in English 0340 GMT 13 Apr 94

[Text] Seoul, April 13 (YONHAP)—South Korea and Russia will settle the issue of repayment of loans to the former Soviet Union before President Kim Yong-sam's visit to Moscow in early June.

A ranking government official said Wednesday that the government would seek to solve the problem by accepting the Paris Club payment terms for part of the loans and receiving payment in kind for the remainder. Of the 1.47 billion U.S. dollars in loans extended to the former Soviet Union, the funds that had matured at the end of 1993 and overdue interest now total 380 million dollars.

At a working-level meeting held in Seoul late last month, Russia offered to assume responsibility for repaying the loans if South Korea agreed to reschedule them according to the agreement reached with the Paris Club of Western creditor nations.

South Korea countered that Russia pay part of the loans in kind, such as in aluminum and other industrial materials, opposing repayment of all of the loans under the Paris Club terms. The Paris Club terms stipulate installment repayment over five years after a two-year grace period.

Seoul, Moscow Agree on Fishing Prices

SK1304075294 Seoul YONHAP in English 0632 GMT 13 Apr 94

[Text] Seoul, April 13 (YONHAP)—South Korean and Russian fishermen have fixed the price of pollack caught in Russian waters, agreeing on a rate 18.5 percent lower than the international price, the fisheries administration announced Wednesday.

The agreement on this year's catch sets a rate of 420 U.S. dollars per ton for egg-bearing pollack and 247 dollars for eggless pollack.

Russia had asked for a minimum 515 dollars for egg-carrying pollack to match the international price, but South Korea had the upper hand in the bargaining because it voluntarily refrained from pollack fishing over the past year in the Okhotsk Sea at Moscow's request.

Russia declared a unilateral moratorium on Okhotsk fishing last year even though the area lies in international waters, citing depletion of resources.

South Korea and other countries protested but later agreed to voluntarily hold off on fishing there.

The two countries had already agreed on this year's quota of 77,000 tons at last November's government-level talks but left the pricing to the fishermen.

Representatives previously held two price negotiations but left empty-handed after Russia demanded 520 to 550 dollars per ton.

Tokyo, Seoul Begin Civil Aviation Talks

OW1104034494 Tokyo KYODO in English 0252 GMT 11 Apr 94

[Text] Seoul, April 11 KYODO—Japan and South Korea began three days of civil aviation talks Monday [11 April], aiming to increase flights between the two countries and open new routes.

Japanese officials have said the talks will focus on South Korean Airlines' access to Kansai International Airport in Osaka, which is slated to open in September, and new routes to Japanese regional cities.

At present, two South Korean airlines operate 162 flights a week between three South Korean cities and 16 Japanese cities, while four Japanese airlines run 62 flights a week between the two countries.

Bilateral Construction Agreement With SRV

SK0804125294 Seoul YONHAP in English 1032 GMT 8 Apr 94

[Text] Seoul, April 8 (YONHAP)—South Korea and Vietnam concluded a bilateral agreement on cooperation in the area of construction in Saigon Friday.

A Construction Ministry official said the agreement was signed by Construction Minister Kim U-sok now on a tour of Vietnam and his Vietnamese counterpart, Minister Ngo Xuan Loc.

The agreement calls for joint investment or joint projects in Vietnam or third countries, exchange of technical information and construction personnel, and joint studies.

The two countries will under the agreement have regular working-level officials talks to effectively promote these and other cooperative projects.

South Korean contractors have obtained construction contracts totaling 125 million dollars from Vietnam since the two countries normalized their relations in 1992.

Investment Guarantee Talks With Hong Kong Open

SK1304075594 Seoul YONHAP in English 0715 GMT 13 Apr 94

[Text] Seoul, April 13 (YONHAP)—South Korea and Hong Kong opened three days of talks on an investment guarantee pact in Seoul Wednesday.

The two sides agreed the pact was necessary based on the growing volume of cross-investments, Foreign Ministry officials said. South Korea had invested 112 million U.S. dollars in the British colony as of the end of last June while Hong Kong poured 283 million dollars into Korea.

The negotiations have been approved by both China and Britain so that the pact will remain in effect after Hong Kong is returned to China in July 1997, the officials said.

Seoul, Malaysia Study Construction Cooperation

SK1304060394 Seoul YONHAP in English 0508 GMT 13 Apr 94

[Text] Seoul, April 13 (YONHAP)—South Korea and Malaysia have agreed to look into establishing a construction consultative body for government officials to strengthen bilateral cooperation in the construction field, officials here said Tuesday.

South Korean Construction Minister Kim U-sok, who is visiting Malaysia, held talks with Malaysian Public Works Minister Leo Moggi and asked him to take action that would allow South Korean builders to participate in various development projects.

Malaysia is pushing ahead with its "Vision 2020 Program" to raise per capita gross national product (GNP) to 10,000 U.S. dollars by 2020 and has embarked on various development projects.

Minister Kim proposed that Korean and Malaysian construction firms advance jointly into third countries including China and Vietnam.

Kim promised the Malaysian minister that South Korea will draft a plan for its construction businesses to transfer technology and provide technical education to Malaysian workers.

Meanwhile, South Korean builders have received 4.1 billion dollars in orders from Malaysia and are carrying out 1.75 billion dollars worth of construction in 23 cases.

Customs Bureau Reports Growing Trade Deficit

*SK1304120494 Seoul YONHAP in English 1128 GMT
13 Apr 94*

[Text] Seoul, April 13 (YONHAP)—South Korea continues to record large trade deficits since the turn of the year.

A trade trend made public on Wednesday by the customs administration showed that trade deficits in March reached 666 million dollars on a customs clearance basis to bring to 2,581 million dollars the total trade deficits in the first quarter of the year.

Trade deficits amounted to 1,435 million dollars in January and 480 million dollars in February.

It showed that in the first quarter exports totaled 19,954 million dollars, a rise of 9.8 percent over the same period of last year, and imports 22,536 million dollars, up 12.9 percent over a year before.

By country in the first quarter, trade with Hong Kong and Singapore registered a surplus of 1,972 million dollars and with China a surplus of 110 million dollars.

However, 411 million dollars deficits were shown in trade with the United States, 2,529 million dollars deficits with Japan, 864 million dollars deficits with Europe and 860 million dollars deficits with other areas.

Businesses Search for Technology Experts Abroad

*SK1204073394 Seoul YONHAP in English 0558 GMT
12 Apr 94*

[Text] Seoul, April 12 (YONHAP)—Major business groups here are trying to entice Korean scientists working abroad, industry sources said Tuesday.

Yukong Ltd., an affiliate of the Sunkyong Group, recently ran an advertisement in a bulletin published by the Association of Korean Scientists and Technicians in the United States. Yukong expressed its intention to invite specialists in chemical engineering, bio-medicine and the environment.

Kumho Co. ran a similar ad in the same bulletin, saying it hoped to attract scientists with doctorate degrees in mechanical engineering, computer engineering and polymer science.

Kolon Co. is also seeking several polymer science and chemical engineering experts while Kia Motors Corp. wants experts on the environment and safety devices of automobiles.

In an edition of the same bulletin late last year, SKC Co. sought to attract experts in chemical engineering and material science while Cheil Foods and Chemicals Co. wanted researchers in molecular biology and microbiology.

"It was unusual for Korean companies to have direct contacts with Korean scientists abroad in the past, but now they want to have direct contacts only after recognizing their names on lists of scientists' association," an official of the Korean Federation of Science and Technology Society said.

Measures To Produce Specialized Personnel Noted

*SK1304115894 Seoul YONHAP in English 1052 GMT
13 Apr 94*

[Text] Seoul, April 13 (YONHAP)—Chongwadae, the presidential office, Wednesday handed down to all government offices a set of measures to better produce or secure specialized personnel with a view to building up the nation's overall international competitiveness.

Yi Eui-kon, senior presidential secretary for government affairs, said the steps had been prepared after confusion surfaced in key government programs such as Uruguay Round negotiations and dealing with the North Korean nuclear question.

"All government offices are expected to work out detailed programs based on the steps to secure specialized manpower on their own," Yi said.

The measures given by Chongwadae include the idea of restructuring public officials training programs in a way that gives more emphasis on the training of specialized personnel, and sending more public officials to international organizations for temporary duties there.

Another measure calls for the rotation of officials among externally related offices like the Economic Planning Board, Trade, Industry and Energy Ministry and Foreign Ministry.

Also under one of the measures, special allowances are to be given to qualified recruits to reduce wage gap between public officials and private industry people.

Floor Leaders To Study Defense Irregularities

SK1304073594 Seoul YONHAP in English 0544 GMT
13 Apr 94

[Text] Seoul, April 13 (YONHAP)—The floor leaders of the ruling Democratic Liberal Party and main opposition Democratic Party on Wednesday agreed to investigate for 20 days alleged irregularities in the Defense Ministry's Sangmudae project where military facilities in Kwangju were moved to the city's outskirts in 1990.

The project was undertaken in August 1990 and completed in November 1992 by Hyundai Construction Co. and Chongwoo Construction Co.

In the process, Chongwoo President Cho Ki-hyon embezzled part of the payment, prompting the main opposition Democratic Party (DP) to charge that some of the embezzled money may have flowed into the political sector.

The DP has formed its own investigative team, led by Rep. Chong Tae-chol who first "exposed" the irregularities. It found that Cho embezzled 22.7 billion won out of the total payment of 65.8 billion won.

The DP claims that part of the 22.7 billion won may have been used as political funds by the ruling Democratic Liberal Party during the 1992 presidential campaign.

The problem would be simpler if it ended there. But suspicions began to snowball when Cho told the prosecution that he had donated 8 billion won out of the embezzled money to Tonghwa Temple in Taegu and another 4.5 billion won in the form of various contributions to the Chogyee Buddhist order.

Although the opposition party could not substantiate its claim that part of Cho's donations had seeped into the political sector, it wants to invoke parliament's right to probe the uses of the slush fund.

Rep. Chong claimed that out of the 22.7 billion won, Cho had spent only 2 billion won on purchasing a villa.

There is a strong possibility, he said, that the rest of the money may have gone to "officials of the present administration as well as those from former President No Tae-u's government."

The DP is pointing the finger at one ruling party official, a former Army chief of staff, a former director of the Agency for National Security Planning and the chief of the Presidential Security Service as the men who channelled the money into political funds.

The DP has even identified the men by supplying the initials of their last names.

In addition, the opposition party claims that during the 1992 presidential campaign, ruling party campaigners visited major Buddhist temples around the country and "handed envelopes stuffed with millions of won" at prayer meetings of a highly political nature.

The suspicions have doubled since the Rev. Mukong, chief monk of Tonghwa Temple, said he had not received a penny from Cho, who told authorities he had donated 8 billion won to the temple to build a huge image of Buddha.

As a result, the DP believes that most of Cho's embezzled money may have gone to the political circle through officials of the Agency for National Security Planning or then-Army chief of staff Gen. Yi Chin-sam, who was reported Wednesday to have suddenly left the country for the United States last Friday.

Alternatively, the money could have been used as bribes by Cho, the DP said.

This is what the opposition party wants to find out if the National Assembly invokes its investigation right. It says the initial results of the probe by the prosecution are insufficient and suspicious points remain.

The DP also wants to determine the relationship between Cho and the Chogyee Buddhist order, whether the order's chief executive, the Rev. So Ui-hyon, was involved in the possible scandal and how Chongwoo Construction Co., which was but a small builder, received a share of the project.

The Democratic Liberal Party, however, describes the DP's charge as "a vague suspicion" and says the opposition party only wants to use "the unsubstantiated theory" as a weapon in its political offensive against the ruling party.

Yet the DLP is not opposed to a National Assembly investigation into the allegation. "Let us uncover what we can if there is indeed anything," it says.

Both the presidential office and the DLP have already pointed out that the Sangmudae project was carried out by the No administration and that Chongwadae has received none of the alleged 8 billion won.

Labor, Management Urged To Agree on Wage Hike

SK1104075294 Seoul YONHAP in English 0715 GMT
11 Apr 94

[Text] Seoul, April 11 (YONHAP)—The Labor Ministry hopes to persuade management and labor to agree on wage hikes of 5.0 percent to 8.7 percent this year, which was approved by the Korea Employers Association and the Federation of Korean Trade Unions on March 30.

The Ministry sent a guideline on this year's pay hikes to 45 local labor offices, which are to work for increases below 5 percent in prosperous industries such as electronics, shipbuilding and automobiles, because large rises in these areas might affect other sectors.

It also decided that wage negotiations should be settled before late May.

The Ministry hopes that wage hikes will be meted out not under the seniority system, but according to merit that fully reflects the achievements of workers.

The Ministry will help management and labor in settling wage negotiations and a trade agreement at the same time.

Cambodia**Press Reports Describe Fighting in Pailin****Battlefield Report: 11 April**

BK1204011894 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 11 Apr 94

[Text] This is a summary of fighting on the Pailin battlefield between 9 April and the morning of 11 April 1994. The following is the outcome of the fighting:

1. We have completely liberated the area from the west of Pailin to the border.
2. We have captured 350 invading troops of the communist Vietnamese puppets and the two-headed government. Some of them have fled for their lives through the bamboo-covered jungle.
3. We completely control Sala Krau village.
4. We also completely control (?Phnum Spin).
5. We are continuing to block the stretch of road between Sala Krau and O Ro-el completely.
6. We are continuing to block the stretch of road between O Tavai and Suosdei completely.
7. The invading troops of the communist Vietnamese puppets and the two-headed government are being encircled and smashed to bits from all directions. They have been routed and forced to flee through the thick bamboo-covered jungle, where strings of mines previously laid by the communist Vietnamese are everywhere. They have run out of water and food. They have come down with malaria and typhoid and are dying one after another—two or three here; four or five there. Their supplies have been completely cut off.

Battlefield Report: 12 April

BK1304012194 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 12 Apr 94

[Text] Here is an additional report on the fighting on the Pailin battlefield from 9 to 12 April:

1. We captured a colonel named Chan Dara who is commander of the tank unit, and 12 other colonels. MM
2. We killed over 100 invading troops, wounded many others, and captured 38 more. We destroyed two T-54 tanks and two Russian-made military trucks.
3. We seized three Russian-made military trucks and a large quantity of arms, ammunition, and materiel.

KR Said To Recapture Pailin

BK1304004394 Bangkok BANGKOK POST in English 13 Apr 94 p 1

[Text] Aranyaprathet—Khmer Rouge (KR) guerrillas last night managed to retake Pailin from Phnom Penh troops after a heavy battle with government forces.

Military sources at the border said the Khmer Rouge forces had seized Highway Nos. 10 and 5 which were the main supply lines for the government troops to Pailin from Battambang and Banteay Meanchey before moving into Pailin yesterday evening.

Details of the fighting remained sketchy last night. But the sources claimed the Phnom Penh force suffered heavy casualties and damage from the assault by the guerrillas.

Several government tanks were seized by the guerrillas as ground troops were sent in "disarray" by the attacks, the sources claimed.

Thai military officers claimed last night at least 15 Phnom Penh soldiers fled across the border into Ban Phakkat of Chanthaburi's Pong Namron district last night.

[Bangkok THE NATION in English on 13 April carries a report on page 1 that adds: "Sixteen Cambodian government soldiers were among a group of Cambodian border residents driven into the Thai soil after fighting in Pailin yesterday, prompting rumours that the gem-rich town in western Cambodia might have been recaptured by the Khmer Rouge.

["The Thai military could not immediately confirm border sources' reports that most of the soldiers, who crossed into Thailand's Chanthaburi province, were senior officers.

["The sources reported heavy fighting around Pailin over the past week.

["The fact that senior Phnom Penh army officers fled to Thailand indicates that the Khmer Rouge have made significant advance or even have recaptured the town," the communist faction's biggest headquarters, one source said.

["Army sources said they could not immediately confirm the border reports, but noted that Phnom Penh forces in Pailin had faced serious logistic problems because food supplies could be sent only by airborne methods."]

Army Attacks Khmer Rouge at Phnom Malai

BK1204051194 Bangkok BANGKOK POST in English 12 Apr 94 p 3

[Text] Cambodian government forces backed by tanks, artillery and rockets attacked the stronghold of the Khmer Rouge in the Phnom Malai area yesterday morning in an offensive aimed at seizing the area, according to an intelligence report.

Heavy fighting between the Khmer Rouge and government troops sent hundreds of Thai villagers at Ban Nong Ian to seek refuge in bunkers.

The fighting was concentrated between one and four kilometres from the Thai border at Ban Nong Ian, Phaum Koob, Phoum Na Kaxai, Phoum Takuangklaio and Phoum Dongaran.

Cambodian government forces yesterday sent 200 troops with T-54 tanks and armoured personal carriers under the command of Lt-Gen Man Vichit to support the 12th Division.

Cambodian soldiers yesterday released five Thais who crossed into the Cambodian town of Poipet on Sunday.

Indonesia

Government Opposes Tying Trade With Labor Issue

BK1204120194 Jakarta THE JAKARTA POST in English 8 Apr 94 p 9

[Excerpt] Jakarta (JP)—Indonesia is opposing industrial countries' efforts to link trade with labor conditions in the General Agreement on Tariffs and Trade (GATT) that will be signed in Morocco next week.

"Indonesia, like other developing countries, is concerned over efforts to link trade and labor, which will be counter-productive," Foreign Minister Ali Alatas told reporters here yesterday.

The United States and France have agreed to push for clauses on labor conditions to be included in the planned trade agreement, which will be finalized at a formal meeting of GATT ambassadors at their April 12-15 meeting in Marrakesh, Morocco.

"The efforts are not productive because they are forced while the Marrakesh meeting is expected to merely endorse what has thus far been achieved," Alatas said.

He said the meeting should only clean up the text of the December agreement, instead of introducing additional clauses. [Passage omitted]

Finance Minister Rules Out Devaluation Policy

BK1304074894 Jakarta THE JAKARTA POST in English 5 Apr 94 p 1

[Text] Jakarta (JP)—Minister of Finance Mar'ie Mohammad gave assurances yesterday that the government will not devalue the rupiah or take other radical steps to offset the deficit caused by the fall in oil prices, which is likely to continue to be a problem this fiscal year.

"There will be no drastic measure to stabilize the monetary system," the minister told newsmen following a meeting with President Suharto at Bina Graha [Presidential office].

He acknowledged that faltering oil prices will affect the state budget, but he said that the government is prepared to handle shortfalls in revenue from the oil and gas sectors.

The government's budget expects Rp [rupiah] 12.85 trillion (US\$6.11 billion from oil and gas, which is to account for 18.5 percent of estimated total state revenue of Rp 69.74 trillion (\$33.2 billion).

The estimate on the receipts from oil and gas is based on an average oil price of \$16 per barrel, far higher than the actual price which is currently fluctuating between \$13 and \$14 a barrel.

Oil experts see no end to the glut in sight, with some predicting that oil will drop as far as \$10 per barrel.

Mar'ie said that a devaluation had been discussed with the Budgetary Commission of the House of Representatives (DPR), but firmly rejected it as an option.

Mar'ie's statement on the government's resolve to stay the course has been repeated several times to reassure those left gun shy by the actions of former finance minister J.B. Sumartini.

These included the 45-percent rupiah devaluation in September 1986, in order to handle falls in state revenues from oil and gas, and the withdrawal of Rp 10 trillion (US\$5 billion) from the accounts of state-owned companies in 1990 to push down inflation.

Mar'ie said yesterday that the government will reduce spending or draw from its reserves if a deficit is run again.

The government has set aside around Rp 3.5 trillion (\$1.6 trillion) in budgetary reserves for emergency purposes. Part of this will be used to offset last year's Rp 1.8 trillion deficit.

"We could use the reserves again if the state revenues in the current fiscal year do not meet the current projection," the minister said.

Meanwhile Coordinating Minister for Economy and Finance Saleh Afiff said yesterday that the government will not change its policy on commercial offshore loans.

"There will be no change in the government's monetary policies, including that on the control of the inflow of commercial offshore borrowing," he told newsmen following a ministerial meeting on the economy at his office.

Afiff said the strict control of commercial loans is essential to maintain the balance of payment at a safe level.

The government-set annual ceiling on offshore commercial loans of about \$5.6 billion to \$6.5 billion applies until the next fiscal year.

The ceilings on foreign loans to the central bank, state banks and private banks are set at \$500 million, \$1 billion and \$500 million a year respectively.

Private companies under the existing ceilings are allowed to borrow up to \$2.8 billion from foreign creditors in this fiscal year and up to \$2.9 billion in 1995-96, while state companies may borrow up to \$1.4 billion in 1994-1995 and up to 1.6 billion in 1995-96.

Philippines

Malaysian UNMO Youth Official Urges Close Ties

BK1204070194 Kuala Lumpur Voice of Malaysia in English 0600 GMT 12 Apr 94

[Text] Malaysia and the Philippines should keep their channels of communication open and accessible at all times in order to manage and maintain good relations. The fundamentals for this to work is to ensure that there must be constant contacts and discussions between both sides. UMNO [United Malays National Organization] party youth chief Tan Sri Abdul Rahim Tamby Chik said this at a meeting with President Fidel Ramos and representatives of the Lakas [Strength of the Nation]-United National Christian Democrats-United Muslim Democratic Party youth leaders at Malacanang Palace in Manila. Describing his visit as another process to enhance the existing good relationship between the two countries, Tan Sri Rahim said it was important the countries make concrete efforts to get to know each other better all the time. He said the need to ensure that relations remain cordial is even more so as both Malaysia and the Philippines are poised to transform into a higher economic level. A strong relationship between the two nations should also inevitably contribute to a more prosperous, stable, and peaceful region.

Romulo on Dispute With Malaysia Over Maids

BK1104063794 Quezon City Radio Filipinas in English 0230 GMT 11 Apr 94

[Text] Leading Malaysian journalist has criticized what he called the highhandedness of his country's enforcement agencies dealing with immigrants. Kadir Jasin, editor of Malaysia's influential NEW STRAITS TIMES, was referring in its Sunday weekly column to the roundup by Malaysian police on Palm Sunday of more than 1,000 Filipino maids in front of a Catholic church in Kuala Lumpur. In his column, Kadir said he did not think many Malaysians were pleased by the highhandedness by enforcement agencies in the operations against foreigners.

In the operations, 711 Filipino maids were detained. All but 33 of them were later released after their employers produced their work permits. Malaysian Prime Minister Mahathir bin Mohamed directed authorities, including the police, to exercise greater care when carrying raids of suspected illegal workers in places of worship. As this

developed, Prime Minister Mahathir is reported sending to Manila a personal emissary to meet with President Ramos on the Palm Sunday arrest.

Meantime, Philippine Foreign Affairs Secretary Roberto Romulo says the Philippine Government has reached what he called a meeting of the minds with Malaysia on how to cool down the dispute. Romulo said he and the Malaysian Foreign Minister Abdullah bin Haji Ahmad Badawi have agreed to discuss the matter in a joint commission set up last year. That commission carries the task of improving bilateral relations chilled by a 30-year-old Philippine claim of Malaysia's Sabah State.

Speaking of Sabah, President Ramos has evaded making a direct response to a proposal raised in Congress for the revival of the country's claim to Sabah. Speaking to reporters in Cebu in the Visayas, the president said Malacanang [presidential office] will issue a statement today on its position on the proposal. Senator Gloria Macapagal-Arroyo presented a proposal the other day asking President Ramos to again assert the Philippines' territorial claim of Sabah. Arroyo made the proposal shortly after Senator Ernesto Herrera suggested that the Philippine Government withdraws its invitation to Malaysia's ceremonial king to visit Manila beginning this Thursday to Saturday.

Cabinet Approves 10 Infrastructure Projects

BK1304041994 Quezon City Radio Filipinas in English 0230 GMT 13 Apr 94

[Text] President Ramos and his cabinet has approved the implementation of 10 economic projects worth P24 billion [Philippine pesos] or \$850 million. The full report from Marie Ruiz.

[Begin Ruiz recording] The 10 projects were approved by the president during the joint cabinet-National Economic Development Authority board meeting here in Malacanang [presidential office]. These are in the areas of infrastructure, energy, transportation industry, and water supply.

Approved for implementation are the P432 million Phase 5 of the Small Island Electrification Project; P523.5 million Sub-station Expansion Project; P2 billion Provincial Water Supply Upgrading Project; P422 million Phase 3 of the [word indistinct] Fire Rescue Equipment Procurement Project; P1.6 billion Phase 3 of the rehabilitation of bridges along arterial roads project; P2.8 billion Light Rail Transit 1 Expansion Project; P13.2 billion Light Rail Transit 2 Construction Project; P707 million Subic Bay Industrial Park Project; P1.1 billion Subic Bay Free Port Project; and P740 million Zamboanga Rural Infrastructure Development Project. [end recording]

MNLF Jakarta Peace Talks Postponed

*BK1304051494 Quezon City Radio Filipinas in English
0230 GMT 13 Apr 94*

[Text] The Philippine Government and the Muslim rebel group—the Moro National Liberation Front [MNLF]—will not be able to hold peace talks in Jakarta, Indonesia next week. The talks were originally scheduled for May, but the two sides are hoping to hold them earlier than scheduled.

However, the Indonesian Government informed Philippine panel member Eduardo Ermita that it cannot adequately handle the talks because Indonesia will be hosting a number of international meetings this month.

Thailand

Wimon Urges Diplomatic Dialogue With Cambodians

*BK1204051394 Bangkok BANGKOK POST in English
12 Apr 94 p 1*

[Text] Army Commander-in-Chief Gen Wimon Wongwanit yesterday urged Phnom Penh to settle any misunderstandings along the border with Thailand through diplomatic channels, not the media as this might worsen the situation.

Foreign Minister Prasong Sunsiri also warned that Thais' patience with the Cambodian accusations was wearing thin.

"We've been patient over the allegations for some time. The Cambodians should know that. I have no problem maintaining my patience but the people may not be able to do so," said Sqn Ldr Prasong.

The army commander said allegations by senior Phnom Penh officials should be backed with substantiated evidence.

"Anyone who condemns us should have evidence to back their claims," he said.

Gen Wimon said diplomatic channels should be used to settle disputes, not the Press as it sometimes distorts the facts and helps deteriorate the situation.

Phnom Penh Co-Premier Prince Norodom Rannaridh has accused the Thai military of assisting Khmer Rouge forces during recent fighting in Pailin. The military denies the allegation.

The army commander said if Phnom Penh had evidence to substantiate its claim, it should be handed over through government representatives so the problem could be solved.

He said the military had said on several occasions that it was not involved in the internal conflict in Cambodia between the Khmer Rouge and Phnom Penh forces.

He also said international press agencies sometimes have ulterior motives against the army and "intended to destroy our credibility".

Gen Wimon said it was in the interests of Thailand, as a neighbour to Cambodia, to see permanent peace restored.

He asked that the public not be misled by international press reports.

The Thai military has closely observed UN resolutions and played a key role in establishing peace in that country.

Gen Wimon's comments follow a recent United Nations High Commissioner for Refugees' protest over the Thai military's repatriation of Khmer refugees following the fall of the Khmer Rouge stronghold at Pailin earlier this month. He said the UNHCR had always tried to dictate what Thailand should do.

"But I'd like to ask the person who represents the UNHCR if his country is willing to accept the Cambodian refugees if his country is asked to do so," he said.

Thailand has always cooperated with the UN and assigned troops as part of UN peace-keeping forces in Cambodia, he said.

Gen Wimon said the Thai military was bitter when it was told by the UN it had no money to pay for Thai soldiers. This meant the cost had to be borne by the Thai Government.

Thai soldiers have never created problems for Cambodia. They wanted to see the people there live in peace and prosper like other nations, he said.

The Army chief said the military would take tough action against border violations by "uniformed" Cambodian bandits who cross into Thailand to steal from villagers.

NSC Secretary on Closure of Cambodian Border

*BK1304020794 Bangkok BANGKOK POST in English
13 Apr 94 p 6*

[Text] The Thai-Cambodia border at Aranyaprathet district in Sa Kaeo province has been closed indefinitely in order to protect the safety of Thai citizens, National Security Council [NSC] secretary-general Charan Kunlavanit said yesterday.

Gen Charan said the action was taken because of a spate of recent incidents that included the torching of a border market, stray shells landing on the Thai side of the border and armed robberies staged against Thai villagers by Khmer bandits.

"These are dangerous incidents and to prevent such threats to our people we have closed the border for an indefinite period of time," Gen Charan said.

He did not say when the border, closed since April 5, would be reopened.

Commenting on why the Thai authorities are taking action only when such incidents frequently recur, Gen Charan said: "The truth is that the fighting in Cambodia has caused damage and hardship to Thai people. Their livestock have also been killed or wounded by stray Khmer artillery shells.

"But we have not complained and the world community does not know how we suffer. And when the Khmer people are in hardship, they run over to take refuge here. We helped them without asking for assistance. Those that are criticising us should look at themselves to see if they are doing the right thing."

Gen Charan said that closing the border was an attempt to save Thai lives and reorganise regulations so that officials can better look after the border area and reduce the danger faced by Thai villagers.

Commenting on the Cambodian complaint that the border closure was harming them economically, Gen Charan said: "We have been helping Cambodia since 1975. That's 20 years already and we have never asked for anything back. It's normal that the closure of the border would have some effect. Those who used to have it good will start to realise what the situation really is.

"We insist that the closure of the border is necessary so that we can reorganise law and order in the area to ensure safety."

Commenting on the intentions of Cambodian government leaders who repeatedly accuse Thailand of helping the Khmer Rouge, Gen Charan said that Prime Minister Chuan Likphai had talked to the Cambodian leaders, including the Khmer foreign minister, about discussing problems through existing proper channels.

"However, the Cambodian Government has never contacted the Thai Government through these channels when problems arise. Given the good relations between the two countries the Cambodians should not be saying anything to Thailand through a third party—the international wire agencies."

Gen Charan, however, said he did not believe agency reports quoting Cambodian Prime Minister Prince Norodom Ranariddh during his trip to Malaysia that Thailand helped the Khmer Rouge escape government attacks on Pailin.

During the interview the prince also called on Malaysia to help persuade Thailand to allegedly give up supporting the genocidal Khmer Rouge.

"I am sure the Cambodian leader did not say that and would have kept the promise he made to our prime minister when he officially visited Cambodia on January 12," Gen Charan said.

He added: "If the prince really criticised us in Malaysia, our friend would have told us. But this is just news and we honour the Cambodian leader as a gentleman and an intelligent person."

Gen Charan said because Thailand had never complained about stray Khmer shells falling in Thailand, the world community appears ready to believe allegations of Thai support for the Khmer Rouge.

"Why should Thailand be so stupid as to support the Khmer Rouge since we have always wanted to see peace in Cambodia for the past 20 years? Those saying this are not using their brains before speaking out."

He said that when Thailand enquires about reported comments made by the Cambodian Government, Phnom Penh "never says anything".

Asked if Cambodia was making Khmer Rouge allegations against Thailand to get international attention and win further aid development, Gen Charan said that he did not want to answer this question.

"I think the world community is more interested in peace rather than seeing them kill each other," Gen Charan said. He said the issue of Cambodia's allegations against Thailand may be discussed at the next meeting of the National Security Council.

Bangkok Used as Illegal Entry to Japan

BK1304022494 Bangkok THE NATION in English 13 Apr 94 p A4

[By Richard Valladares]

[Text] The yen for a quick buck is driving South Asian job-seekers to Bangkok and then on to a Japan awash with cash despite the recession worldwide.

Indians, Pakistanis, Bangladeshis and Sri Lankans are all flocking into the City of Angels to buy their way to the land of the rising sun, a South Asian diplomat said.

Bangkok is a popular transit point for the would-be immigrants to gather the know-how, material and connections required to bluff their way through Japan's ever-tightening screening procedures and immigration laws.

Hundreds of these South Asians leave here armed with fake or tampered passports, forged immigration papers and dreams of wealth.

Rackets are run by organized gangs who charge the eager job-seekers fees amounting to a couple of thousand dollars.

With opportunities drying up and salaries not what they used to be in the Gulf, Japan is now emerging as the new mecca for the illegal immigrants.

The scam involves forging passports, Japanese visas and work permits and even crash courses in Japanese, according to some reports.

Of course, the rates rise considerably for each 'extra' service.

Some clients opt to fly to a third country and then enter Japan in the hope of avoiding the extra scrutiny by Japanese immigration officials reserved for residents of some countries.

Clients are put up in Bangkok hotels and houses owned by the agents and are looked after till all arrangements are completed for their departure.

"Once in Japan, finding work is easy. Construction sites and small factories are our best bet.

"The hitch is that for the duration of our stay there we have to remain on the site. No contact with people outside is possible," said a Tamilian who refused to say if he was Indian or Sri Lankan.

"I have set myself a target and hope to achieve it within a year. We have to make a lot of sacrifices, but it's worth it," he said.

Then, how do these people get out once they've achieved their goal? "It's really simple. We just come out into the open and within a week we are arrested as illegal immigrants. The good thing with the Japanese is that they deport us as soon as they can, avoiding lengthy jail terms," said another first-timer.

"Most first-timers go the way we are going. It's only after a person has made some money that they come back and use the agents to get them fresh documents since they've been blacklisted in Japan," said Mohan [as published].

The Thai police arrested a number of potential immigrants from India and Sri Lanka as the group waited at a Bangkok residence prior to boarding a flight for a third country.

Most of the arrested Indians were from Punjab.

Recently, six Sri Lankans believed to be part of a gang counterfeiting passports after illegally entering Thailand were arrested in their hotel rooms in Bangkok, the Tourist Police said.

Two Singaporean, five Dutch and six Sri Lankan fake passports were found. Police said the Dutch and Singaporean passports sold for US\$8,000 while the Sri Lankan documents fetched up to US\$4,000.

The clients were mainly Sri Lankan's wishing to travel to the United States, France or Japan, according to news reports.

Another sophisticated method employed by the agents is through the substitution of the original photographs on genuine Indian passports carrying proper Japanese visas with mug-shots of the clients.

The original passports fetch between US\$1,200 and US\$4,000 depending on the expiry date, the amount the original owner has travelled and a number of other factors which help in authenticating the new owner.

Sources in the business claim that an average of 200 Indian passports are lost each month.

The migrants who sell their passports then reportedly approach the Indian mission in Bangkok for a replacement, claiming that they have lost them.

Passports for sale are "prepared" for a wide range of age groups and are carefully selected and scrutinized to match the needs of the clients.

A few years ago, the Thai police with the help of Interpol officials from India raided several of these fake passport outlets in Bangkok's Phahurat district.

At that time the agents were sending clients to what used to be West Germany on specially chartered flights through the former East Germany.

The immigrants disembarking in East Berlin would make their way to West Berlin using their fake papers to get away as "legal immigrants". Following the reunification of Germany, Poland, Hungary and Russia became the new European transit points.

But, now with the stringent screening measures adopted for asylum seekers to Germany and the strict vigil on all her borders, this operation has become extremely risky and unviable.

Besides, immigrants from developing nations all over Asia are discovering that Japan offers much better returns, dollarwise, for the same investment in agents and the risk of getting caught and deported.

Japan currently has an estimated 500,000 illegal immigrants from the Philippines, Thailand and Malaysia.

However, South Asians, along with illegals from Iran, Afghanistan and other Third World nations are now joining the immigration queues at Japanese airports in their quest for quick money.

Vietnam

U.S. MIA Specialists Examine Several Remains

*BK1204144394 Hanoi VNA in English 1419 GMT
12 Apr 94*

[Text] Hanoi VNA April 12—The Vietnamese and US MIA [missing in action] specialists on April 9-11 examined a number of remains and personal effects believed to belong to American servicemen missing in action in the Vietnam war. The belongings were collected by the searching groups or handed over by the local people during recent 28th joint excavation.

Initial results show that 10 packs of remains and personal effects could be related to American MIA's.

On April 12, the representative of the Vietnam MIA office handed over the above-said 10 packs to the representative of the US side. This is the 47th handover since March 1973, bringing to 603 the total of the remains of MIA's to the US side.

Speaking on the occasion the representative of the US side highly appreciated the effective cooperation of the Vietnamese Government and people.

More Reports on Summit Meeting With Australia

Do Muoi Meets Keating

BK1204152294 Hanoi VNA in English 1434 GMT 12 Apr 94

[Text] Hanoi VNA April 12—Party General Secretary Do Muoi received this afternoon in Ho Chi Minh City Australian Prime Minister Paul Keating and his party on a current visit to Vietnam. During the meeting, General Secretary Do Muoi and Prime Minister Paul Keating exchanged views on the issues of common concern. They expressed their satisfaction at the fine development of the friendship and cooperation between Vietnam and their precious assistance and support given to the Vietnamese people in national development.

He reaffirmed Vietnam's persistent policy of renovation. He said he hoped that Vietnam would make active contributions to the common efforts of the people in the region and in the world for the peace, stability, cooperation and development.

General Secretary Do Muoi highly valued the Australian Government's good will, and [words indistinct] multifaceted cooperation between Vietnam and Australian further development following Mr. Keating's visit to Vietnam.

For his part Prime Minister Keating spoke highly of the fine results of the talks and contacts between his delegation and the Vietnamese side. He said that Vietnam and Australia had a number of similar points and that the economies of the two countries could supplement to each other [words indistinct] the trade and cooperation between Vietnam and Australia would develop further. He reconfirmed the Australian Government's continuation to support the Vietnam's economic reform and development as well as in the fields of education and public health.

The Australian prime minister [words indistinct] improvement of relations between Vietnam and the ASEAN and other countries in the region as well as the big countries and considered it a positive factor to peace and development in the region and the world as a whole.

On this occasion, Prime Minister Paul Keating invited General Secretary Do Muoi to visit Australia. The Vietnamese leader accepted the invitation with pleasure. Also present at the reception were Deputy Foreign Minister Le Mai, Vietnamese Ambassador to Australia

Nguyen Thanh Chau [name and title as received] and Australian Ambassador to Vietnam Michael John Pot's.

Prime Minister Paul Keating and his entourage left Hanoi this morning for Ho Chi Minh City.

The second leg of their Vietnam visit they were seen off by Foreign Minister Nguyen Manh Cam on behalf of Prime Minister Vo Van Kiet.

Keating Leaves for Ho Chi Minh City

BK1204122194 Hanoi Voice of Vietnam in English 1000 GMT 12 Apr 94

[Text] The visiting Australian Prime Minister Paul Keating has left Hanoi for Ho Chi Minh City, continuing his official visit to Vietnam. He was seen off by Vietnamese Foreign Minister Nguyen Manh Cam, who conveyed him greetings from Prime Minister Vo Van Kiet.

Speaking to Mr. Cam, Mr. Keating expressed pleasure at his Vietnam visit. His meetings with Prime Minister Vo Van Kiet and President Le Duc Anh have contributed to better mutual understanding and promotion of bilateral ties. He showed concern for the development of Vietnam in general and Hanoi, in particular.

Besides doubling its development assistance to Vietnam in the coming four years, Australia will provide Hanoi with a separate aid package for preservation of Hanoi's historical areas.

Mr. Keating highly valued Vietnam's role in the region and wished that Vietnam will increase its cooperation with Australia to promote development and peace in Asia and the Pacific.

Keating Invitation for Do Muoi Chided

BK1304094994 Melbourne Radio Australia in English 0630 GMT 13 Apr 94

[From the "International report" program]

[Text] Australia's prime minister, Paul Keating, is on his way home after a three-nation tour of Asia. Mr. Keating's trip took him to Laos, Thailand, and finally Vietnam, where he invited the communist party leader, Do Muoi, to visit Australia. It's an invitation the Vietnamese leader accepted and this is sure to cause unhappiness among some of the Vietnamese who fled their country after the communist's victory in 1975 and now live in Australia. Christopher Kremmer reports from Hanoi that Mr. Do Muoi will be seen as a more provocative figure than the reformist prime minister, Vo Van Kiet, whose presence in Australia last year led to demonstrations by Australian Vietnamese.

[Begin Kremmer recording] It's the oldest rule of war—both sides on two-fronts—and Mr. Keating has broken it. His invitation to communist party chief Do Muoi proved alienating an important lobby group, which so far has remained relatively quiet about his visit to Vietnam. The invitation was issued during what one official

described as unusually long and interesting talks between Mr. Keating and the 76-year-old party leader in Ho Chi Minh City yesterday. The VIETNAM NEWS AGENCY later reported that it has been accepted by Do Muoi with pleasure. As the party chief has in recent months been visiting neighboring ASEAN countries, an invitation to come to Australia was unexpected. Even a reformist leader like Prime Minister Vo Van Kiet attracted the wrath of a small section of the Vietnamese community when he visited Australia last year. But Do Muoi, head of the party which maintains armed [word indistinct] party-rule over Vietnam is an entirely different matter. He represents to some Australian Vietnamese a painful reminder of a war which did so much damage and deprecation to their lives. And as Vietnam [word indistinct], that it was not just the allies who were responsible for atrocities in the war. Terror was a weapon used by both sides to polarize communities and keep villagers on side. A communist party government is still accused by Asia Watch and other human right and religious groups of serious infringements of civil liberties and political rights. Above all the right of the people to choose their government at free election. As one commentator remarked recently a great deal of history stands between Vietnam and United States. The same could be said of Vietnam and Australia. The commentator went on to observe that while communism may be dead in Vietnam, authoritarianism is thriving. That affects the relatives of Australian Vietnamese still living here. Do Muoi's communist party is seen by some as bearing most responsibility. Mr. Keating has observed that the wounds of war are still deep in Vietnam, but the wounds are also deeply felt by Vietnamese who fled their homeland for Australia and many of them are unlikely to be impressed by the invitation. [end recording]

Hanoi Condemns Killing of Israelis in Afula

BK1004072094 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Apr 94

[Text] When asked by a VNA correspondent about Vietnam's attitude toward the bomb attack that killed and injured many Israeli civilians in Afula in northern Israel, a Vietnamese Foreign Ministry spokesman stated that Vietnam condemns all acts of terror against civilians. Such an action will only give rise to a wave of violence in the region and create suffering for innocent people. This situation calls for a quick, fair, long-term, and lasting solution to the Arab-Israeli conflict with the Palestinian issue at the core.

Vietnam supports the current peace process in the Middle East.

Assembly Chairman Receives PRC Deputies

BK1204072394 Hanoi VNA in English 0648 GMT 12 Apr 94

[Text] Hanoi VNA April 12—Chairman of the National Assembly Nong Duc Manh received here yesterday afternoon a delegation of the Financial and Economic Committee of the Chinese National People's Congress led by its Vice Chairman Zeng Xianlin, on a friendship visit to Vietnam.

At the talks, Chairman Nong Duc Manh cordially noted that Vietnam and China are neighbours which have bound to each other centuries-old old friendly relations, and have many common features to share. They have stood side by side in their revolutionary struggles for national independence as well as in socialist construction nowadays those ties have entered into a new step of development, he said expressing his hope that this visit would contribute to the mutual understanding, and the strengthening of mutual relations between the two countries and between the two legislative bodies as well.

On this occasion Mr. Nong Duc Manh asked the Chinese delegation to convey his best regards to Mr Jiang Zemin, Mr Li Peng, Mr Qiao Shi and other party, state and congress leaders. For his part Mr Zeng Xianlin thanked Chairman Nong Duc Manh for his fine words and expressed his wish to further promote the friendly, cooperative relations between the two states and two legislative bodies in particular.

No-Double-Taxation Agreement Signed With UK

BK1004143894 Hanoi VNA in English 1411 GMT 10 Apr 94

[Text] Hanoi VNA April 10—An agreement on avoidance of double taxation and prevention from evading taxes on income and transfer of property between Vietnam and Britain was signed here yesterday by Finance Minister Ho Te and British Minister of State Alastair Goodlad, now on a visit to Vietnam.

The same day, Mr Alastair and Minister of Transport and Communications Bui Danh Luu signed letters of exchange on 'a Research Project on the Strategy of Investment and Maintenance of Land Ways in Vietnam'. This project will be funded by the Official Development Assistance (ODA) of the British Government. It will cost 2.09 million pounds and take 18 months to complete.

International Trade Fair '94 Reviewed

BK1304101494 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 12 Apr 94

[Essay by Hong Thang: "The Vietnam International Trade Fair '94 and the Marketing Issue in Business"]

[Summary] "The Vietnam International Trade Fair '94 just concluded. Unlike previous trade fairs, this trade fair took place after the United States lifted its trade embargo against Vietnam, thus allowing for the participation of giant foreign companies and consortiums. Some countries had as many as 40 exhibition booths each. After a period of interruption because of difficulties on their part, the Russian Federation and East European countries, which were Vietnam's former trade partners, have returned to the Vietnamese market. They participated in this fair with dozens of exhibition booths."

We had an encounter with Mr. Aleksandr Araganov, marketing director of the Voltine Volgagrade company. He told us of the past trade cooperation between his company and other Vietnamese trade partners.

He said: "We regard Vietnam as a big trade partner. Earlier our Voltine company sold many car tire products in the Vietnamese market even during the period when the U.S. trade embargo was still in place. The financial settlement between our company and your country had some difficulties, but both sides sought to tackle this problem by exporting their goods in the form of barter trade. Although there are many companies now advertising their car tire products in Vietnam, we are not balked at facing such competition because the tires manufactured by the Voltine company are destined for use by heavy-duty trucks and agricultural machines."

This was the first time for the United States to participate in the Vietnam International Trade Fair with large consortiums and companies such as Coca Cola and the Chrysler Auto Manufacturing Consortium. Mr. Sirigaba, a representative at the Chrysler Jeep truck booth, said: "The Chrysler consortium in particular and other American companies in general were very pleased to see the U.S. embargo against Vietnam being lifted. We are also very excited to make a comeback to do trade business with Vietnam. We affirm that Vietnam with over 70 million in population is an important market."

He went on: "It is regrettable that we have been a little bit late entering the Vietnamese market when compared to other countries."

Among those participating in the fair were Japan, China, the Republic of Korea, Hong Kong, and Singapore. The fair, which was held at the Giang Vo exhibition complex in Hanoi, featured over 350 exhibition booths which were organized into nine sections. This year the volume of goods on display at the fair were three to four times as many as that in last year.

"The U.S.-owned Cola Cola company tried to reduce the price of its products below production cost for competitive and advertising purposes. But because of the poor customer-service attitude adopted by its personnel, the company's products were not welcomed by customers. Whereas, all the refreshment soft drinks—a product manufactured under the joint venture between Vietnam's (Pecatro) company and the Russian Federation—of the Minsk company's booth, were sold out thanks to its guaranteed qualities and hospitable attitude of its customer service personnel."

Worthy of note is that "only two hours after the opening of the trade fair, the booth of the VINACOMEX Import-Export Construction Company, was able to ink a contract to sell a shovelling machine worth \$210,000. Thanks to the display of their unique indigenous products, the booths of Thai Binh and Hai Hung Provinces were also able to attract many some dozens of foreign trade delegations which came to discuss business affairs.

With the Thai Binh booth in particular, foreign customers agreed to purchase relatively large quantities of metal products and bicycle parts."

Many people believed that the results obtained from this fair exceeded our expectations.

Government Reports First Quarter Trade Figures

BK1204071294 Hanoi VNA in English 0634 GMT 12 Apr 94

[Text] Hanoi VNA April 12—In the first quarter of this year Vietnam grossed an export-import value of more than USD 1.4 billion, up by 19.4 per cent as compared with the same period last year. The export value alone counted USD 668.3 million, an increase of 18.1.

Remarkable increases were recorded in rubber (12.8 per cent), coffee (28.9 per cent), tea (more than two times), meat (13.9 per cent) coal (42.7 per cent), crude oil (14.8 per cent), aquatic products (23.7 per cent), garments and textile goods (43.3 per cent).

However the export of rice and groundnut was down by 20 per cent and 6.3 per cent, respectively, compared with the same period last year.

Last year the export value was about USD 3 billion.

In the first quarter this year import value totalling USD 746 million, up 20.6 per cent over corresponding period last year. The import of iron and steel increased by 85.1 per cent, kerosene 2.5 times, electric appliances 14.9 per cent, small cars 9.2 per cent, and motorbikes (57.4 per cent).

Reportage on Massacre of Vietnamese in Cambodia

Officials Meet With Cambodian Envoy

BK1204083894 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 11 Apr 94

[Text] Upon learning of the massacre of Vietnamese residents in Cambodia's Kandal Province, SRV Foreign Ministry officials held a meeting in Hanoi on 11 April with Mr. Chhong Toeng, Cambodian charge d'affaires in Vietnam, to inform him of our government's stand on this massacre. The Vietnamese officials asked Mr. Chhong Toeng to convey the SRV Government's stand on this issue to the Royal Government of the Kingdom of Cambodia immediately. The Cambodian charge d'affaires pledged that he will urgently comply with the request.

Hanoi Condemns Massacre

BK1204142094 Hanoi Voice of Vietnam in English 1000 GMT 12 Apr 94

[Station commentary]

[Text] Another massacre of Vietnamese nationals in Cambodia has been carried out by the Khmer Rouge. The incident occurred in Hamlet 8, Troeuy Sla village, S'ang District of Kandal Province on 9 April. This act has caused strong indignation within the Vietnamese Government and population. It is not the first massacre. The Khmer Rouge have never given up their intention to kill Vietnamese nationals who are now living in Cambodia. Hundreds of Vietnamese nationals, especially fishermen in Battambang and Siem Reap Provinces have been killed or wounded by armed attacks from the Khmer Rouge. The attacks were very barbarous.

This time, 13 people were killed and 27 others wounded; nine were children and one woman with a 23-day-old child. The mother was killed and the child wounded.

In its statement on Monday [11 April], the Vietnamese Government held that following a series of previous cruel acts of terrorism against Vietnamese nationals, this massacre once again was an open challenge to mankind's conscience and brazenly violated human rights recognized in international conventions.

The statement said that this savage act was clearly aimed at arousing national hatred and destroying the traditional friendship between the Vietnamese and Cambodian peoples.

The Vietnamese Government strongly condemns the latest mass killing and earnestly asks Prince Sihanouk and the Government of Cambodia to take urgent and effective measures to ensure safety of Vietnamese residents in Cambodia. They have the right to a peaceful life as do other foreign residents in Cambodia in conformity with the spirit and words of the joint communique of 4 April 1994.

The Vietnamese Government also called on the United Nations, other signatories of the Paris agreement on Cambodia, and the world public to voice their protest and to take resolute measures to prevent such terrorism against Vietnamese nationals.

A representative of the Vietnamese Foreign Ministry had a meeting with the Cambodian Charge d'Affaires in Hanoi Mr. Chhong Toeng, telling him of the anger of the Government and people of Vietnam over the mass killing. The Cambodian official was asked to convey immediately to the Cambodian Government Vietnam's demand for urgent, effective measures to put a stop to the killing of Vietnamese nationals.

Earlier, the Vietnamese Embassy in Cambodia sent note to Cambodians, diplomatic corps, and international organizations in Cambodia denouncing this cruel act of the Khmer Rouge.

Labor Minister, Delegation Hold Talks in Laos

BK1304063894 Hanoi VNA in English 0618 GMT 13 Apr 94

[Text] Hanoi VNA April 13—A delegation of the Ministry of Labour Invalids and Social Affairs led by its Minister Tran Dinh Hoan has paid a working visit to Laos.

During its stay from April 7-10, the delegation had talks with a delegation of Lao's Ministry of Labour and Social Affairs headed by Minister Thongloun Sisoulit.

The two sides informed each other about the general socio-economic development in their countries, discussed measures to strengthen the cooperation between the two ministries in the domains of labour and social affairs, and the repatriation of the remains of the Vietnamese Army volunteers who had fallen in service of the Lao revolutionary cause.

Tran Duc Luong Pays 'Working Visit' to Phu Quoc

BK1104082794 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 10 Apr 94

[Text] Deputy Prime Minister Tran Duc Luong paid a working visit to the island district of Phu Quoc in Kien Giang Province between 7 and 8 April. The objective of the visit was to assess local socioeconomic development orientations. The deputy prime minister toured Tho Chau village and the An Thi fishing pier. He also inspected a number of communications lines and had a working session with the district party committee and people's committee on Phu Quoc's socioeconomic development orientations in the days ahead.

In his talk with the key district cadres, Deputy Prime Minister Tran Duc Luong analyzed the important role of the sea-based economy in the new development stage of the national economy, based on the need for industrialization and modernization as set forth by the midterm national party conference resolution.

The deputy prime minister stressed: Phu Quoc plays an important role in all domains, is rich in sea products, and has many strengths in tourism and the service industries. It is necessary for the party organizations of Kien Giang Province and Phu Quoc District to make every effort to exploit the aforementioned strengths to the maximum so as to transform Phu Quoc into one of the most prosperous islands in our country.

Youths To Perform Military Service Locally

BK0904145094 Hanoi QUAN DOI NHAN DAN in Vietnamese 18 Mar 94 p 2

[Report by Hoang Van Hau]

[Text] In early 1993, Binh Duong village in Vinh Phu Province and Cuong Thinh village in Yen Bai Province

were chosen by the 2d Military Region headquarters as "pilot sites" for youths to perform their military service locally in militia units.

It is not that the enforcement of this policy has been carried out without a hitch. Questions have arisen: What is the growing role of the militia force as youths are now allowed to perform their military service locally in militia detachments? Will this policy have any impact on annual military conscription criteria? How will operating funds be guaranteed? These worries and questions have been gradually ironed out and redressed.

The cadre-related task must be tackled first. All the comrades selected must be those having a high sense of responsibility and good skills in management and military training. The contingent of instructors is reported to have been reinforced by district military affairs agencies with officers who have good training experience.

Thanks to satisfactory didactical propaganda, 100 percent of the local youths of military age have volunteered to apply for joining local militia units. This policy has won sympathy and support from the people and from the families of the youths concerned. After two months of training, trainees will be equipped with political, technical, and combat tactics-related knowledge equivalent to the level required from a new recruit. In addition to their basic training program, trainees will also study local economic development tasks, experiences on the carrying out family economies, and stock-breeding and crop cultivation techniques.

In order to ensure room and board facilities and everyday life during the training course, various militia units have successfully carried out the motto "Localities, families, and individuals care together." Apart from the assistance provided by the localities concerned, the families of the youths concerned and their parent militia units have devised plans to do economic businesses for self-sufficiency purposes such as accepting contracts for tree planting, forestry protection, stock-breeding, and farmland irrigation services.

After one year of implementation, although there remains a number of newly-arising problems to be resolved, the qualities of the local militia force have improved noticeably. Public security and social order and safety in various localities have been firmly maintained and social vices have been gradually dispelled. Trainees have familiarized themselves with the collective life and have been equipped with a military bearing. Each member of militia detachments has become a positive factor of their relevant localities and families in complying with party policies, state law, and other regulations of the localities concerned.

Hanoi Radio Raises Corruption Issues

Army Tries To Fight Corruption

BK1304081394 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 12 Apr 94

[From the "Topical Talk" feature]

[Summary] Dear comrades and friends: At its fourth session in late 1993, the Ninth National Assembly issued a resolution on practicing thrift and fighting wasteful spending, corruption, and smuggling. Acting in line with this National Assembly resolution, all echelons and sectors have made many efforts to effect changes for the better in the front against wasteful spending, corruption, and smuggling.

As far as the Army is concerned, efforts were made in 1993 to accelerate the movement against corruption and smuggling a step further and carry out the campaign to practice thrift and fight wasteful spending. Positive results have been recorded. Since early 1994, the Ministry of National Defense has instructed all echelons, sectors, agencies, and units to implement the aforementioned tasks. In the framework of that campaign, an all-Army conference against corruption and smuggling was convened in late 1993 in the north and early 1994 in the south. The conference aimed to derive experiences and discuss measures to coordinate action among military units, as well as between military units and state agencies, in dealing with smuggling or attempts by Army units to help private dealers carry out illegal business activities.

The minister of national defense also signed a decision on the management of military vehicles and equipment. Under this decision, with the exception of vehicles with permits to engage in economic activities, all military vehicles are prohibited from transporting goods for private dealers or for non-military agencies and organizations.

Furthermore, the Ministry of National Defense set up a standing committee to oversee the campaign against corruption and smuggling in the armed forces. Acting in line with the ministry's common guidelines, all military agencies and units have, since the very beginning of 1994, drawn experiences from the movement against corruption and smuggling and consolidated steering committees a step further.

Regarding the movement for thrift and against wasteful spending, the Ministry of National Defense has issued a directive requesting all agencies to make a thorough review of spending and detect loopholes that could easily lead to wasteful spending or the misappropriation of public funds. In implementing this directive, many military agencies and units made arrangements for cadres and combatants concerned to study new state and Army regulations and rules and henceforth formulate new management systems to deal effectively with corruption and smuggling. The national defense agencies concerned

also reviewed the various policies and regulations governing the movement for thrift and against wasteful spending.

Along with settling complaints and letters of denunciation, the national defense inspection sector also made joint investigations with commanding officers into many cases of financial or logistical mismanagement.

Inspection and investigation results indicate that the situation in which private dealers use the names of Army units to carry out illegal business activities remains quite common. In the first quarter of 1994, the ratio of corruption cases involving party members was 52 percent. A total of 14 party members were subjected to disciplinary measures. The number of smuggling cases involving party members decreased by 32 percent. A total of 27 party members were subjected to disciplinary measures.

Regarding the movement against corruption, the number of corruption cases has continued to decline since December 1993. Nonetheless, the seriousness and sophistication of cases is on the rise. The Military Organ of Control initiated legal proceedings in five cases involving 10 defendants.

Regarding the movement against smuggling, according to preliminary reports as many as 7,000 packs of foreign cigarettes, 46 television sets, 62 ceiling fans, 14,000 meters of fabrics, 100 tons of cement, and 24.4 kilos of opium were seized.

To accelerate the movement against corruption and smuggling in the days ahead, the minister of national defense issued a decision on 28 March 1994 establishing a standing committee against corruption and smuggling. The decision reminded all echelons and sectors of the need to understand thoroughly the policy on practicing thrift and fighting wasteful spending, corruption, and smuggling. Efforts must be made to cope effectively with the aforementioned negative phenomena and restore order, discipline, and lawfulness. Steps must be taken to enhance the efficiency of state management agencies. It is necessary for agencies and units under the direct management of the Ministry of National Defense to formulate well-defined programs of action and adopt practical measures to implement them. More efforts are needed to uphold the sense of responsibility of party committee echelons and commanding officers at all levels. Adequate educational activities must be organized to help cadres and combatants thoroughly understand and strictly abide by Army and state policies and lines prohibiting illegal business activities and attempts to lend a helping hand to smugglers and tax evaders. Continued efforts are needed to conduct thorough investigations into cases of mismanagement of public funds, housing facilities, land, and military means of transportation. Drastic measures must be taken to initiate legal proceedings against corruption and smuggling cases. Violators must be dealt with to the full extent of state law and Army discipline.

Dear comrades and friends, practicing thrift and fighting corruption, smuggling, and wasteful spending constitutes an important task to be carried out by all Army units. If we implement this task satisfactorily, we will contribute to building a firm and powerful Army; purifying social relations; establishing order, discipline, and law; and enhancing the efficiency of state management over socioeconomic development, thereby continuing to advance the fatherland along the socialist path.

Anticorruption Efforts in Ho Chi Minh City

BK1204101394 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 11 Apr 94

[Text] At the recent 19th conference of the Ho Chi Minh City People's Committee, the City Anti-Corruption Steering Committee reported on its work in 1993 and the first quarter of 1994.

The report said that various major corruption cases were investigated and concluded, including those of the Saigon Auto and LEGAMEX companies. The city communications and transport office has also concluded seven cases with losses to state worth 90,141,000 dong and 100 cubic meter of timber. The city has recovered state properties worth 1.35 billion dong.

Regarding the investigation of other cases, the city has arrested several offenders involved in the illegal trade and use of electricity as well as irregularities at the city refrigerating company.

The City People's Court has tried many major cases of public interest, including those of the Luc Quoc Hotel, the COXIVINA Company, the Anh Hong Enterprise, and the Cai Be Tourism and Cultural Service Corporation.

In the days ahead, the committee will integrate efforts to investigate major corruption cases that cause serious losses to state properties while urging the City People's Court to urgently try various cases that have been sufficiently investigated.

Do Muoi Attends Khanh Hoa Provincial Party Congress

BK1104150894 Hanoi VNA in English 1418 GMT 11 Apr 94

[Text] Hanoi VNA April 11—Party Secretary General Do Muoi attended the provincial party conference of the central Province of Khanh Hoa held from April 7-8. Addressing the conference, Do Muoi pointed to the importance of the solidarity among the local party cadres in order to do greater service to the entire people. He praised the local party committee and people for their efforts in developing economy and maintaining political security and social order. He urged the province to push up industrialization in agriculture and fishery to improve the living conditions of the people, especially the ethnic minorities. Khanh Hoa Province was separated from Phu Khanh Province 4 years. It has embarked

on reorganising its economic structure to make full use of potentials in the development of industry, agriculture and tourist services. As a result, the output of its industry, small industries and handicrafts increased by more than 7 percent and export and services value by more than 25 percent annually.

National Assembly Delegates Visit Haiphong, Islands

BK0804163694 Hanoi VNA in English 1446 GMT 8 Apr 94

[Text] Hanoi VNA April 8—A National Assembly delegation led by Dang Quan Thuy, vice chairman of the National Assembly [N.A.] and head of its Defence and Security Council paid a working visit to the port city of Haiphong and the island districts of Bach Long Vi and Cat Hai from April 2-6.

Inspecting the situation of economic production and daily life of the islanders and soldiers stationed on the islands, the delegation acknowledged high efforts made by the local party, administration and people as well as the close cooperation between the islanders and soldiers in the construction and defence of the islands. The N.A. deputies approved the Cat Ba project on tapping the island's economic potentials, especially the sea products and tourism. They reminded the population about the important position of the island in terms of security and national defence. They also pointed out the out-standing socio-economic security and defence issues of Bach Long Vi District and the Cat Ba Island and urged the local administrations any people to him efforts to solve. [sentence as received]

Strategy of 'Peaceful Evolution' Analyzed

BK1204114194 Hanoi QUAN DOI NHAN DAN in Vietnamese 21 Mar 94 p 1,4

[Article by Quang Thong: "Opening the Door for National Development and Protection]

[Text] Our country has entered a period of door-opening. Advantages have never been so good as they are today. This is a result of our dynamic economy, stable politics, and correct diplomatic policy. A person or a family with few friends and lots of enemies would have many worries and incalculable misfortune. A country, if faced with the same situation, would be much worse. Therefore, door-opening is a great success arising from our party's renovative thinking.

Our party's great thinking is to build a dynamically-developed society along the socialist path with a prosperous population, strong nation, and an equitable and civilized society. But that path is being targeted for sabotage by hostile forces. We must realize clearly the motto of being open-minded toward everybody and honest with friends, and never belittling the political wisdom and shrewdness of a nation and its people. That

is a lesson for everybody in the current trend of integration and development and is needed for the world to coexist peacefully amid never-ending conflict.

We do not exaggerate the dangers while great opportunities have arisen. Our people, with their incomparable and sincere desire for peace, are easily moved by the offer of any cooperative hands. They gratefully view this as an act of sharing our suffering. As our people are grateful, they will never forget the kindness given to them by the peoples of friendly countries during their fight against the French and the United States. Despite countless difficulties, these friendly peoples encouraged, supported, and assisted us. That sincere act came from the depth of their hearts. It will not be our fault should history ever leave any unsavory mark on anybody.

"Why should we be vigilant? If I come to you with suspicions, can I cooperate with you enthusiastically?" The answer is: "We do not suspect anybody when we think of cooperation for mutual benefit. We open our door widely to welcome anyone, irrespective of political affiliation, who arrives to cooperate with the Vietnamese people for economic development and cultural exchange. But we will not allow anyone to interfere in our internal affairs to divert us from the Uncle Ho-directed path already chosen by our party and people."

We cherish peace. We absolutely do not want war, including the bloody anti-aggression war and the silent war against the peaceful evolution strategy. As Trotsky put it: "You may not be concerned about strategies, but strategies do concern you."

Real information and activities, most of them clandestine and illegal, show that the "peaceful evolution" strategy is a prop for the enemy's riotous and subversive activities and is being undertaken to a great extent. External reactionary forces working hand in glove with internal reactionary and dissident elements have publicly declared their intention to eliminate our socialist regime. Door-opening, which is considered by us as one of the advantages of the new situation, is also a dream for those hostile forces which are conspiring to eliminate our regime.

The enemy has drawn on their successful lessons of experience, obtained from East Europe and the Soviet Union in using their "peaceful evolution" strategy with its sweet and gentle tricks, to attack Vietnam. Being a well-experienced party, "it" [the enemy] will not directly attack our strategic command. The enemy will take advantage of our shortcomings and negligence. They will find a way into our intermediate-level management echelons and into every nook and cranny of villages and hamlets. They will seek to buy support, sow division among the people, and incite bad elements to oppose us as the opportunities arise before they start riotous and subversive activities.

[Text] We are vigilant, but not childish to the point of seeing everyone as our enemy, gradually closing our

door, or being panic-stricken. We are alert and confident. We are vigilant to protect the survival of our regime and especially our pattern of defense and development as a nation.

Remaining vigilant is the consciousness of the entire people. But great responsibility rests with the Armed Forces. Even in some countries where no gunfire has been heard for hundreds of years, priority efforts continue to strengthen their defense forces and their armies. Their soldiers are sweating and even bleeding in their combat drills. The history of our country is one stained with the blood of aggressors. We can still recall the story of Ms. Vo Thi Thang who, after walking out free from the Con Dao prison with her "victorious smile," went to Cuba for a visit where an elderly lady struggled with the crowd to reach her. Embracing her, she said to her in tears: "How beautiful and gentle you are. Vietnam is so loyal and appreciative. Why is it that the enemy continues to target your country for their invasion, killing, and sabotaging?"

The Armed Forces must first be strengthened in line with our national strategy. We do not like to see a country with very poor revenue bearing a very high defense budget. But in order to have a peaceful country for construction, a strong people's Army is of paramount importance. Safeguarding independence and sovereignty and achieving socio-political stability are important conditions for economic development and national construction.

The incident in East Europe and the Soviet Union woke up all revolutionary nations over the social class nature of the Armed Forces. At present, to heighten a sense of vigilance for the Army, we must first of all train it to become politically stable and absolutely loyal to the socialist regime, the party, and the people. In an attempt to overthrow our regime, the enemy is eager to see nothing other than a Vietnamese Army having vague political knowledge, waning willpower and determination, and a falling organizational structure. Therefore, in heightening a sense of vigilance, not only will the Army have to equip itself with high combat skills so it can be ready to smash all external acts of aggression but it will also have to serve as solid prop to maintain internal political stability. Hostile forces are trying by all means to exploit our negligence, weaknesses, and internal difficulties to create troubles here and there. We should maintain a high sense of vigilance to prevent bad phenomena from occurring. As they are undergoing their combat-readiness training, Army units must contribute their utmost effort to make the public thoroughly aware of the party's revolutionary lines and the enemy's sabotage schemes. The units must try to build a strong political structure from among the people.

In their new strategy, hostile forces are "paying particular attention to us." Their attacking weapons are not guns and ammunition, but rather sweet words to the ears and freshly fragrant handkerchiefs. They want us to stray off our course, eliminate the party, depoliticize the

Army, negate all our socialist achievements, and eventually, direct their artillery attack at our history and smear our banner which has been reddened with the blood of our predecessors.

At the recent All-Army National Congress, delegates discussed and fully understood the meaning of a party Central Committee resolution on achievements scored, and on new opportunities and challenges. This is vivid evidence that the Army has upheld the lesson of remaining vigilant to stabilize politics, develop the nation, and protect the regime and the fatherland.

Reports on Midterm Party Conferences Continue

Held by Central Ideological Agencies

BK0404142394 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 4 Apr 94

[Text] The Central Ideological Agencies Bloc party organization opened its third mid-term party conference in Hanoi this morning. Comrade Nguyen Duc Binh, member of the Political Bureau and secretary of the party Central Committee, attended and addressed the conference.

According to the report presented by the Central Ideological Agencies Bloc party organization's executive committee, for more than two years now, ideological, cultural, and artistic activities have helped to motivate everyone to step up production and score achievements in all fields. The report also pointed out a number of drawbacks that need to be overcome.

Based on past achievements and shortcomings, the report set forth the key orientations for 1994-95 as follows: It is necessary to satisfactorily implement the party Central Committee's resolutions on the need to carry out ideological, cultural, and artistic activities aimed at shifting the country to a new stage of development through the implementation of a national industrialization and modernization program based on socialist orientations.

The report stressed the importance of party-building activities. It is necessary for all party organizations to concentrate efforts on enhancing party militancy; overcoming the danger of socialist disorientation; fighting all indications of waste, red tape, and corruption; eliminating the danger of being left behind; and foiling the enemy's peaceful evolution strategy. It is particularly important for party chapters to devise practical and interesting party activities to make them appeal to the masses.

Speaking on this occasion, Comrade Nguyen Duc Binh pointed out the important role of ideological and cultural activities in enhancing party militancy. It is necessary to make cadres, party members, and the entire people clearly understand that given the country's new development stage, everyone must strive to overcome difficulties, step up production, and avoid the danger of being

left behind. It is important for theoretical agencies to draw practical experiences from national and international developments at an early date. It is equally important for the mass media to step up propaganda activities aimed at making the people sharpen their determination and at encouraging businessmen to improve their skills. It is particularly important for the Central Ideological Agencies Bloc party organization to make everyone clearly understand the enemy's peaceful evolution strategy aimed at creating political unrest and at undermining our national development efforts.

Also at today's session, many delegates expressed their views, further clarifying the causes leading to problems and suggesting measures to carry out the tasks for the days ahead.

The conference is scheduled to last for two days.

Held by Quang Nam-Danang Province Party

BK0504115994 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 4 Apr 94

[Report by Tran Trong Chuy]

[Summary] The 15th Executive Committee of the Quang Nam-Danang Province party organization recently held its midterm party conference to discuss socioeconomic targets to be achieved during the 1994-95 period.

"All those who spoke unanimously agreed with a political report presented at the conference. They said: Over the past two years, particularly in 1993, Quang Nam-Danang Province continued to maintain its socioeconomic stability. Its socioeconomic situation, in certain areas, continued to develop. Its economic structure is shifting in a positive direction. The latent potential of various economic components is being generated. The province's gross social product increased from 1,000 billion dong in 1991 to nearly 1,120 billion dong in 1993 while its budget revenue rose from 190 billion dong in 1991 to over 500 billion in 1993. Its average industrial output value increased 8 percent per year. A number of economic sectors developed fairly well such as marine products, import-export, and tourism service."

Thanks to the growth of foreign economic relations, the industrial sector of Quang Nam-Danang Province is improving. "The construction of many industrial projects has started such as the Hoa Khuong cement factory and a local branch of the Hoang Thach cement factory. Various new industrial zones, including the An Don-Nuoc Man processing zone, are taking shape in Dien Nam and Dien Ngoc Districts, and in the southern part of Hai Van Pass."

Weaknesses discussed during the conference consisted of "Quang Nam-Danang having fallen behind economically when compared with other localities. Its economic development is slow because there still exist many backward areas, particularly those in the mountain region. Delegates from Que Son, Tien Phuoc, and Tra My Districts reported that 50 to 60 percent of their local

populations are now still in a state of food shortage due to the absence of farmland irrigation projects and other grass roots facilities."

The conference unanimously held that "the main reasons for this situation were a failure on the part of the provincial party standing committee and people's committee to meet new development requirements." All participating delegates shared Comrade Vo Chi Cong's views expressed at the conference that Quang Nam-Danang does not lack talent. The problem is how to gather all the wisdom of this talent.

In the period ahead, the province needs to promptly shift its economy in the direction of industrialization; achieve an industrial output value increase of 45 percent by 1995; specialize its agricultural, forestry, and fishery production; create more exports; step up the program to do away with hunger and reduce poverty; increase the annual export value to \$50 million; and reduce the agricultural workforce to 60 or 65 percent of the total population in order to save manpower for the processing industry.

"The midterm party conference of the Quang Nam-Danang Province party organization called for an annual gross domestic product increase from 10 percent upward."

The issues of party building and internal unity were also fervently debated. "Many delegates pointed out that party building and party management at various echelons have displayed many shortcomings. A number of party cadres and members have suffered a dereliction in quality. Their knowledge is not current and their sense of discipline is poor. Personal jealousy has led to prolonged disunity among a number of cadres. Many delegates held that far from being an ethical problem of party cadres and members, corruption has become a political problem that has caused a loss of confidence among the people. This has been exploited by the enemy and has, of course, adversely affected the party's popularity." The conference regarded this as a central issue to be settled immediately in order to ensure the unity of thoughts and actions in the entire party organization.

Held by Haiphong City Party

BK0604090294 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 5 Apr 94

[Report by The Chau]

[Summary] What can be said about changes in the port city of Haiphong in the 1991-93 three-year period? Before 1992, Haiphong displayed four shortcomings, namely street litter, insufficient power supply, serious budget deficit, and poor public security and order maintenance.

The situation now has been improved. City streets are cleaner thanks to more budget allocations to public sanitation work. The application of resolute and uniform

measures helped reduce waste or theft of electricity. The situation concerning public security and order maintenance has been markedly improved. The budget deficit has also been significantly reduced.

Noteworthy is the fact that Haiphong has scored fine external economic achievements. In 1991, the city had only two foreign investment projects. Nowadays, as many as 27 joint ventures valued at nearly 650 million dollars are being implemented. Considerable progress has also been made by the agro-forestry-fishery, trade, and service sectors.

"The concrete figures of the above-mentioned activities are reflected in a report presented by the 10th Executive Committee of the Haiphong City party organization at a recent midterm party conference. Generally speaking, over the past three years, far from lagging behind, Haiphong has made good progress on the economic development front. Some areas of economic activities have displayed fast growth rates and fulfilled or overfulfilled many targets for the 1991-95 period. The external economic sector has played an important role in overall local economic life."

Nonetheless, based on the report of the city party organization's executive committee as well as on the delegates' views, there is still room for improvement. For example, the value of 1993 industrial production reached only 211 billion dong. A number of new products has already been marketed. Nonetheless, the volume of products of high economic value remains low and the export index is even lower. The volume of export products in transit through Haiphong Port comes chiefly from the northern provinces whereas that of the port city of Haiphong itself only accounts for a modest percentage. Haiphong's sea-based economy displays great potential, but the actual performance ratio is very low.

Slow efforts have been made to effect economic restructuring and job development to benefit the countryside. The ratio of the city's participation in foreign-funded investment projects is also low. The performance of the import-export and tourist sectors is not on par with the city's advantages and potential. Furthermore, the city still displays shortcomings on the cultural and social fronts.

It could be said that Haiphong's most serious drawback rests with its failure to formulate an effective human resources development strategy. There is not enough cadres to meet the requirements of the new situation and new mechanism, especially to handle external economic affairs.

"Prompted by a positive attitude and spirit of self-sufficiency and self-help, the Haiphong City party organization set forth many major policies and solutions for the period from now until the year 1995 as follows: It is necessary to promote production, business, and service industries as well as bring into full play the roles of different economic sectors. Special efforts must be made to step up external economic activities, build socioeconomic infrastructure, implement social welfare programs, consolidate national defense and security capabilities, renovate and revamp party organizations, enhance the leadership skills of cadres and party members, and combine the administrative reform program with the activities of mass societies. Given the fact that Haiphong is an industrial center with a large force of manual workers, special attention must be paid to the role of trade-union organizations."

Based on past achievements and experiences, there is every reason to believe that Haiphong will make the above-mentioned goals come true. To this end, efforts must be made to define practical tasks and work out harmonious and effective operating procedures.

Australia**Evans Calls Khmer Rouge 'Diminishing Force'***BK1004121494 Melbourne Radio Australia in English
0500 GMT 10 Apr 94*

[Text] Australia's foreign minister, Gareth Evans, says Cambodia's Khmer Rouge faction is a diminishing force that will disappear like other Asian insurgencies unless it joins the political mainstream. Evan Williams reports from Phnom Penh. Senator Evans says the return of normality to Cambodia is eroding what support that faction has left.

[Begin Williams recording] Ending his first visit since last year's UN-sponsored elections, Senator Evans was unwilling to say what impact he thought continuing support from some Thais will have on the faction's future. But he said of [word indistinct] a gradually shrinking force of just 8,000 armed men, fewer even than last year. The Khmer Rouge is a diminishing force, he says, with no credibility at all in a wider Cambodian population. With the economy picking up that now seems true, but observers warned supply routes into Thailand will allow the guerrillas to survive at a low-level harassment for many years. [end recording]

Jobless Rate Reported Lowest Since 1991*BK0704101794 Melbourne Radio Australia in English
0500 GMT 7 Apr 94*

[Text] Unemployment in Australia has fallen to 10.3 percent, prompting a government prediction that the rate would end at 10 percent by the end of the year. Linda Mottram reports the March figure is the lowest since November 1991, down from 10.5 percent in February:

[Begin recording] [Mottram] Driving the continued fall is seven consecutive months of employment growth. Seven thousand more jobs were created in March, but they were part-time rather than full-time positions. But the government is very encouraged by the figures overall. Federal Employment Minister Simon Crean predicted the jobless rate would be below 10 percent by the end of this year, disputing OECD claims that the jobless rate would remain in double digits for two more years.

[Crean] The figures show that we have done better than what the OECD suggests. I believe we can get below that figure in the not-too-distant future, but it will only happen with the continued strong economic growth.

[Mottram] The federal opposition also welcomes the lower number of jobless, but opposition leader John Hewson maintains the country is locked into 10 percent-plus unemployment.

[Hewson] We are concerned that it seems the improvement in the labor market seems to be slowing and we are now left with a situation. We've still got over 900,000

people without paying jobs and over 50 percent, or about 50 percent, are those who are long-term unemployed. [end recording]

U.S. Admiral Notes 'Improving' Relations*LD1204085094 Melbourne Radio Australia in English
0800 GMT 12 Apr 94*

[Text] The American commander in the Pacific, Admiral Charles Larson, has declared New Zealand a friend and ally of the United States, saying bilateral relations are improving.

Admiral Larson, who made his comments in Wellington, is the first senior American military official to visit New Zealand in almost 10 years. In that time New Zealand adopted anti-nuclear laws, which the Admiral said remained a barrier to military exercises between the two countries. But he added, the objective of his visit was to begin a dialogue and lay out a framework for common interests.

The New Zealand prime minister, Jim Bolger, told reporters that most of his discussions with Admiral Larson had centered on peacekeeping around the world.

Relations between New Zealand and the United States deteriorated in the mid 1980s after the adoption of the anti-nuclear laws. The American president at the time, Ronald Reagan, prohibited military contacts and all exchanges between senior officials, but earlier this year President Bill Clinton announced the restoration of high-level contacts.

Marshall Islands**President Kabua Reshuffles Cabinet***BK1204032694 Hong Kong AFP in English 0249 GMT
12 Apr 94*

[Text] Majuro, April 12 (AFP) - President Amata Kabua reshuffled his cabinet Tuesday, replacing his veteran foreign minister, Tom Kijiner.

Kabua announced the changes without any comment, saying that Kijiner would immediately become minister of health and environment while the existing education minister, Phillip Muller, becomes the new foreign minister. Evelyn Konou leaves health to take over education.

Kijiner has been foreign minister since 1988 and presided over a period of tremendous diplomatic activity as the country moved from US control into independence. He opened missions at the United Nations, Fiji, China and Japan as well as consulates in California and Hong Kong.

Muller has been education minister since 1986 and has played a key role in revamping the ailing public school system with 8 million US dollars from the Asian Development Bank.

Konou, the only woman in parliament, has been health minister since last year.

New Zealand

Bolger Reaffirms Nuclear Ship Ban

*BK1304032894 Hong Kong AFP in English 0312 GMT
13 Apr 94*

[Text] Wellington, April 13 (AFP)—New Zealand will maintain its ban on nuclear-powered and -armed ships from its ports, despite high-level U.S. urging for a change of policy, Prime Minister Jim Bolger said Wednesday.

He told Radio N@w Zealand a change in the ban was "not an agenda item".

On Tuesday Bolger met with the commander of US Pacific forces, Admiral Charles Larson, the first time in nearly a decade that such a high-ranked military figure has been here.

After meeting with Bolger he urged New Zealand to re-think its anti-nuclear stance and consider the benefits of resuming full military ties.

New Zealand adopted anti-nuclear laws in 1985 which the U.S. says prevents their ships coming here and has resulted in Wellington being frozen out of the Anzus (Australia, New Zealand and U.S.) Pact.

President Ronald Reagan prohibited military contacts and all exchanges between high officials but last November Pres@dent Bill Clinton called for a resumption of ties on "a more normal basis".

Bolger welcomed Larson's recognition that the two countries had reached different views on the nuclear issue by following democratic processes.

It was a U.S. decision to withdraw high-level military contacts with New Zealand following introduction of the nuclear policy in 1986.

New Zealand hoped the U.S. would reflect on that decision and there would be a greater degree of cooperation in future.

"What we're getting now, I think, is an important opening up of discussion and that's what I welcome in the visit of Admiral Larson," he said.

Although a New Zealand government commissioned study had found nuclear propulsion was safe, the public was not willing to accept such ships.

"Clearly if New Zealand was to change its propulsion laws that would be quite significant in terms of U.S. attitudes, but at the moment the New Zealand parliament is not about to do that," Bolger said.

The political issue had changed a lot over the past decade, Bolger said.

The Cold War had ended and nuclear weapons and testing had been reduced.

He was "quite comfortable" with New Zealand's current policy. "It's exactly where the public at large want the policy to be."

New Zealanders had told the United States they wanted to work along their own route.

"That's been a little difficult for some people but that's where the New Zealand public is. And as I say it's not an agenda item in New Zealand at the present time," he said.

"What I think is an agenda item is how we can co-operate and work through with others."

New Zealand had a close defence relationship with Australia and had worked in a peacekeeping role with the U.S. in theatres of conflict like the Gulf War and Bosnia. New Zealand defence forces were becoming increasingly involved with peacekeeping of a higher risk than in the past.

"I think New Zealanders would accept that and say that's the defence responsibility New Zealand can and should take up," he said.

Officer's Diary Provides Evidence of Espionage

*BK1204092494 Hong Kong AFP in English 0842 GMT
12 Apr 94*

[Text] Wellington, April 12 (AFP)—New Zealand appears to have engaged in some form of spying on India, a cryptic entry in a the diary of an army officer lost here reveals, the EVENING POST reported here Tuesday.

The bulky, black-leather Filofax, owned by Major Scott Turner who is assistant director of electronic warfare in the Ministry of Defence, was leaked to various media outlets after it was found in long grass last week.

The POST said the man who found the Filofax, identified only as Mike, had decided to release the diary after he saw what it contained.

"This is public information. It is important this be released because we spend millions of dollars on the organisation this guy works for and it suggests we spy on people we consider our allies like India," "Mike" said. One Filofax entry, under the heading RNZN (apparently a reference to the Royal New Zealand Navy), says: "Indian photos [word indistinct] DSD get them." The POST suggested that this entry disclosed some espionage operation against India. It interpreted DSD to mean the Australian Defence Signals Directorate.

The Filofax includes a diary, work plans for 1994, duties' lists, notes of meetings with others in the New Zealand intelligence community, four used train tickets, two business cards and details of the officer's recent purchase of a house.

Contents of the Filofax show Turner was coordinating with the secret Government Communications Security Bureau (GCSB), which runs two large electronic listening bases linked into Australia, Britain and the US.

There are also references such as "Tropic Twilight—Cook Islands Aug-Sep, Intercept range upgrade 2MHz - GHz" as well as some action regarding tensions between Papua New Guinea [PNG] and the Solomons over Bougainville, a PNG province affected by civil war.

Defence spokesman John Seward said Tuesday the owner was getting legal advice "and will seek police assistance to get it back".

Seward said electronic warfare was not spying and the Filofax was "not in itself a classified document.

"Electronic warfare is a long-established legitimate and widely known part of military operations."

Seward said the Filofax was the personal diary of a staff officer although he said he believed it was unusual for a staff officer to record classified acronyms in a personal book.

